

EUROPEAN NEWS

OVERSEAS NEWS

Gulf strikes oil off south coast of Ireland

BY HUGH CARNERY IN DUBLIN AND DOMINIC LAWSON IN LONDON
GULF OIL, a subsidiary of the US oil company Chevron, has made a promising oil strike 30 miles off the south coast of Ireland in the Celtic Sea.

The latest find appears promising, however, with estimates that a field of up to 50m barrels of oil had been discovered.

The shares of the two Irish companies were the subject of fevered speculation after the 1983 discovery, but Mr John Langbroek of Dublin stockbroker J. E. Davy is holding steady.

The same multinational consortium of oil companies made a promising gas discovery last year in Celtic Sea block 48/18.

Why Community reform alarms the Danes

DENMARK'S Prime Minister, Mr Poul Schluter, is almost certain to go ahead with his threatened referendum on the EEC reform package agreed at the summit in Luxembourg last month.

IT ALIAN MEMBERS of the European Parliament will call today for rejection of the reforms agreed by the Community leaders in Luxembourg last month.

The negative stand taken by the Social Democrats to the reforms came as a shock to the coalition Government. No one has yet given a credible account of why the party acted as it did.

members of the Community. Danish thinking on foreign policy lacks the external dimension, as a senior British diplomat put it.

Reagan calls for 'real progress' on arms

PRESIDENT Ronald Reagan yesterday called for "real progress" in the new round of US-Soviet arms talks that opens in Geneva today.

research programme, still the most contentious issue. The US side has been interpreting the November summit declaration as implying that Moscow is now ready to agree to progress on offensive systems separately from the Star Wars issues.

MEP urges farm export subsidies

MEMBERS of the European Parliament were yesterday urged to seek increased subsidies to export EEC farm products.

The plan was proposed by Mr Tom Tolman, the Dutch Christian Democrat author of an important report on reform of the common agricultural policy which caused deep divisions in the ranks of the 518-strong Assembly.

David Buchan reports on the Soviet leader's regional policy Gorbachev draws allies closer

SOVIET leader Mikhail Gorbachev is proving himself a much more vigorous manager of the Eastern alliance, both in its economic and military guise as the Warsaw Pact, than his Kremlin predecessors.

Reinforcing this impression of new-found cohesiveness in the East is the closer co-ordination of Soviet and East European views on foreign policy.

The prime architect of that "cold shoulder" policy, Mr Andrei Gromyko, has been elevated to US state presidency, while like-minded men, Mr Stefan Olszowski and Mr Konrad Naumann, have been dropped from the Polish and East German politburos.



Mikhail Gorbachev... shaping the Eastern alliance to his liking.

his allies in Prague on his way home from the Geneva meeting with President Reagan. This not only seemed a conscious matching of Mr Reagan's immediate consultations with Nato allies, but also gave Warsaw Pact leaders Mr Gorbachev's assessments before the rest of the Soviet politburo.

Also denied in the Soviet capital are West German reports that last year the Soviet defence minister told Warsaw Pact members allied help was needed in a Soviet SDF effort, and that East Germany in particular was already participating.

Dissident Poles may face prison

By Christopher Bobinski in Warsaw
MEMBERS of "Peace and Freedom", a new Polish dissident group, are expected to face prison following a decision by a Warsaw misdemeanour court.

The group is made up of Solidarity supporters, but it differs from the banned movement in adopting open civil disobedience as a method of protest and maintaining contacts with Western peace movements.

Members of the group have sent back their military registration cards, which all Poles eligible for military service are supposed to keep, in protest at the continued imprisonment of Mr Marek Adamkiewicz.

The Peace and Freedom group is demanding that the text of the oath be changed. Just before Christmas, one sympathiser from Gdansk who refused to do his military service in protest at the army's role in imposing martial law in 1981 was sentenced to 3½ years in prison.

Poles and gypsies have raised demands for compensation from West German companies for their forced labourers during the Second World War, writes Leslie Collitt in Berlin.

The calls for indemnification follow the payment last week of DM 5m (£2m) to surviving Jewish forced labourers under the Nazis.

Several German companies which employed forced labourers paid compensation after the war, but many others did not.

Increased export subsidies were attacked sharply by David Sheleagh Roberts, the British Conservative spokesman for the External Trade Committee.

Mr Jean-Marie Le Pen, leader of the extreme right-wing National Front in France, yesterday won five defamation suits over allegations that he tortured prisoners while in the army during the Algerian war of independence.

Suharto braced for difficult times Indonesia suffers economic setback as oil prices slump

BY ALAIN CASS, ASIA EDITOR, RECENTLY IN JAKARTA
RICH INDONESIANS like to shop in Singapore, Hong Kong and Paris. They throw lavish wedding receptions, drive expensive cars and wear an abundance of jewellery.

The oil boom has been good to Indonesians—at least to some of them. Billions have been spent on development. Fortunes have been made and foreign companies—led by the Japanese and the Americans—have cashed in on the bonanza.

Economic growth, forecast at 5 per cent, was down for 3 per cent last year and is dropping. "With no apparent rise in oil prices, we may be witnessing a structural change in Indonesia's economic prospects," said one economist.

The oil boom years of healthy growth, economic activity grew by no more than around 3 per cent last year. "There are already signs of stagnation, a collapse in oil prices to below \$22 a barrel could spell real trouble," one diplomat said.

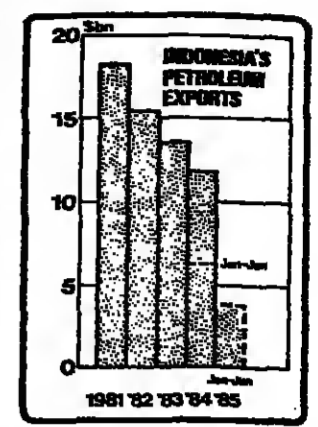
The net effect of all this had news is that the prestigious fourth five-year plan, Rencana IV, inaugurated in 1984, is already in breeds. Large capital outflows—Indonesia has no foreign exchange controls—will be a drop in both foreign and domestic investment.

There are some bright spots. Indonesia, once the world's largest rice importer, is now self-sufficient. The current account deficit of \$2.8bn last year is manageable and foreign reserves are over \$10bn.

Budget planners have based their estimates on a \$25 a barrel price of oil. The actual daily output has averaged 1.5m barrels. The price has dropped to less than \$27 per barrel.

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INDONESIA'S EXPORT EARNINGS 1981 82 83 84 85

Indonesia's small but growing industrial sector is mired in a slump with many concerns operating below capacity and a record number close to bankruptcy.

Other factors likely to cause problems are the continued slowdown in the world economy, increased protectionism likely to affect Indonesia's major textile sector and increased debt repayments estimated to reach \$bn (£2.8bn) this year.

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OVERSEAS NEWS

Chinese reject Soviet pact plan

THE CHINESE Government said publicly for the first time yesterday that the Soviet Union for many years had proposed a mutual non-aggression treaty...

A Foreign Ministry spokesman repeated China's stand that political normalisation can only be achieved through the removal of "three obstacles" separating the Communist giants.

These obstacles are the Soviet troops in Afghanistan, Soviet backing for Vietnam's occupation of Kampuchea, and the heavy deployment of Soviet troops along the Chinese border.

"We have time and again reiterated that the removal of the three obstacles is the only way to normalise Sino-Soviet relations because it has a bearing not only on China's security but also on the upholding of international justice," Li Zhaoxing, a government spokesman said.

The spokesman also dismissed an Afghan government claim that China is arming and training Afghan resistance guerrillas. The Babrak Karmal Government in Kabul made the allegation in a "white paper" presented to the UN in late December.

The Chinese spokesman said: "Recently, while carrying out their military suppression of Afghan national resistance forces, the Soviets and the Karmal authorities have made false charges against China. This is an habitual deception which has been seen through by all people and is not worth refuting."

The official repeated China's denial of statements by Mr Mikhail Kaplita, the Soviet Deputy Foreign Minister, that the Chinese and Soviet foreign ministers will exchange visits in 1986.

The Soviet and Japanese foreign ministers meeting in Tokyo yesterday for the first high-level talks in eight years, candidly discussed "Star Wars," the Soviet military build up in Asia, and other points of East-West friction but also reaffirmed their desire to improve long-strained ties.

Mr Edward Shevardnadze, the Soviet Foreign Minister, cautioned Japan about a possible endorsement of the US strategic defence initiative, while his Japanese counterpart voiced concern over the bolstering of Soviet naval and nuclear missile power in Asia, said a Foreign Ministry official, who spoke on condition that he not be named.

Thai Cabinet reshuffled after election upset

By Boonsong K'Chana in Bangkok THE THAI Government last night announced a major cabinet reshuffle involving members of the Social Action Party, the largest grouping in the four-party coalition.

The shake-up came one day after Mr Kosol Krairiksh, the Commerce Minister, tendered his resignation over the failure of his programme to guarantee paddy prices for Thai farmers, who earlier held a series of rallies in Bangkok.

The party was shaken by a Bangkok election defeat and the resignation of its longtime leader, former Prime Minister Kukrit Pramoj.

Three other SAP Cabinet members, Mr Prayoon Chinda-sip, Deputy Commerce Minister, Mr Pan Boonchit, Deputy Agriculture Minister, and Deputy Interior Minister, Mr Opas Polasit, also resigned. At the same time, the Deputy Prime Minister, Mr Sornthen Thongswasdi, also a SAP member, was replaced by the acting SAP leader, Mr Siddhi Savetsila, who is also Foreign Minister.

S. Yemen leader's fate unclear as fighting continues

BY OUR MIDDLE EAST STAFF

THE state-owned Radio Aden resumed transmissions yesterday for the first time since Monday night saying that "Government forces" - meaning those loyal to President Ali Nasser Mohammed - had regained control of the country. It claimed that the politbureau of the ruling Yemen Socialist Party had been meeting continuously.



Mr Ali Nasser Mohammed

who advocate even closer ties to Moscow. Confusing the picture further, two Arab newspapers of the region, Al Seyassah of Kuwait and Al Itihad of Abu Dhabi, reported that the second leading figure reported to have been executed had been killed in the coup attempt.

There was no confirmation either that his rival and opponent, Mr Abdul Fatah Ismail, had been executed with three of his supporters as Aden Radio had claimed on Monday.

A rebel radio station broadcasting from Lahaj, about 30 miles north of Aden, said that the four men were still alive.

Abdul Fattah Ismail's resignation and departure for the Soviet Union in 1980 for "health reasons," according to the official version of the time. Reports of the fighting yesterday indicated that units of the Air Force, where the influence of Soviet and Cuban advisers is probably stronger, were pitted against the Army. Aircraft bombed Aden international airport and the harbour district, according to AP. It quoted Japanese trade company representatives as saying that Aden was a battlefield with air, telex and telephone links cut. Only shipping radio communications remained intact.

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Court backs rights of strikers in S. Africa

By Jim Jones in Johannesburg

STRIKERS' RIGHTS were entrenched in South Africa this week when the Pretoria Supreme Court found against the Marieval Gold Mine which had sacked 900 men who were participating in a legal strike following a break-down of wage negotiations last September.

Marieval, which is part of the Gencor Group, claimed at the time that it was legally entitled to dismiss the striking miners, and this was upheld by the Rand Supreme Court in Johannesburg. However, the National Union of Mineworkers (NUM), which represented the men, took the case to the Industrial Court (IC) for a ruling.

In November the IC comprehensively criticised Marieval's handling of the dispute and said that the NUM had actively pursued mediation and arbitration during an industry-wide dispute. It instructed the mine to reinstate 390 union members on the grounds that the mine's labour practices were largely unfair.

Marieval responded that it would rather pay out the men as their jobs had been taken by replacements, and the mine appealed against the IC's finding to the Pretoria Supreme Court.

Gencon, which is South Africa's second largest mining house and is controlled by Sanlam, the Afrikaans insurance group, strenuously denies allegations that it is adopting a confrontational approach to emerging black unions or that its mines' mass dismissals are a form of union-busting.

However, last week Impala Platinum, another Gencon group company, sacked 20,000 non-union striking miners at its Bophuthatswana mines.

Israel's inflation rate slumps

BY DAVID LENNON IN TEL AVIV

ISRAEL'S inflation, which hit a record 445 per cent in 1984, fell to 185.2 per cent last year. The Government is bailing this as a major triumph for its economic policies.

In the wake of this success the Treasury is planning to ask the unions to agree to abandon the traditional automatic linkage of wages to the retail price index. This indexation is generally regarded as a key element in maintaining the price spiral and in blocking efforts during the past eight years to bring inflation under control.

The Israel Manufacturers Association, the representative body of private industry, said that these figures and especially the 1.3 per cent inflation recorded in December made a sharp reduction in interest rates imperative. The president of the Israeli Chambers of Commerce, Mr Dan Gilleman, said recently that interest rates were "at a maud level, a level that even the worst loan sharks never dreamed of demanding."

Lebanese President Amin Gemayel's main Christian rival, Mr Elie Hobeika, surrendered yesterday as loyalist forces stormed his headquarters near Beirut harbour behind a tank and gunboat barrage after eight hours of heavy fighting. Military sources told AP.

Gemayel loyalists 'capture rebel Christian leader'

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Zambia clears obstacles to deal with IMF

By Peter Waldemar in Lusaka

ZAMBIA has repaid some SDR 115m (£87m) in arrears to the International Monetary Fund (IMF), removing the last major obstacle to agreement on an IMF standby programme for 1986.

A team of IMF officials arrived in Lusaka late last week for consultations which should make it possible to reach final agreement on a new standby credit by mid-February.

Zambia can expect to receive some SDR 100m under the proposed programme in 1986, as well as up to SDR 60m from the Fund's compensatory financing facility because of an unexpected shortfall in earnings from the country's major export, copper. Copper production last year is understood to have fallen as much as 100,000 tonnes short of the Government's 1985 target of 525,000 tonnes.

Spain on brink of diplomatic ties

BY TOM BURNS IN MADRID

REPORTS of stepped-up security at the main Spanish airports and at other potential Arab terrorist targets fuelled expectations yesterday of an imminent decision by the Madrid Government to extend full diplomatic representation to Israel.

At the beginning of this week Mr Narcis Serra, the Defence Minister, returned from an official visit to Egypt where officials said he explained the Spanish decision to President Hosni Mubarak.

The absence of diplomatic relations with Israel is virtually the sole foreign policy leftover of the Franco years and their establishment has been on the agenda for the past decade. Spain's entry into the European Community has increased pressure to end the anomaly.

World Bank study criticises policies Egypt falls short on 5-year plan

BY TONY WALKER IN CAIRO

EGYPT has fallen well short of its five-year targets according to a 1985 World Bank study which is also critical of the plan. The report, recently circulated among international agencies and western Governments, says the 1982-83 to 1986-87 plan "sets ambitious goals" but contains "little to indicate the specific policies needed to reach these goals."

Egypt has refused an Israeli request for a report on the killing last year of seven Israeli tourists by a policeman who was subsequently killed for life. Egypt's refusal complicates efforts by the two countries to resolve their Tabat territorial dispute. Israel's Cabinet this week approved measures providing for possible arbitration to settle the dispute but which also included a request for a report on the murders.

sources of foreign exchange are being squeezed) will have to make better use of "existing productive assets in the public sector" if it is to maintain reasonable rates of growth. The bank outlines what it describes as a minimum package of necessary policy reforms, which include:

● Raising energy prices to world parity over 10 years beginning in 1985-86. This policy assumes that all public sector enterprises would pay the increased charges.

● Shifting the exchange rate for calculating customs duty from the official rate to the market exchange rate.

● Implementing a limited increase in public enterprise prices, so as to yield additional revenue of about 0.5 per cent of GDP per year by the end of 1991-1992.

The pace of adjustment assumed here may appear quite rapid compared to the relative lack of action in the past," the World Bank says. "The policies are, nevertheless, quite feasible and constitute a minimum effort if the economy is to achieve even moderate sustainable growth over the coming decade."

\$24.1bn by mid 1984, giving a debt service ratio of 31 per cent — a figure that corresponds with the estimates of the International Monetary Fund.

The World Bank says that since 1974 (the year of the open door policy instituted by the late President Anwar Sadat, to encourage foreign investment) financial returns on a rapidly growing public investment programme were "extremely low due to rigid low prices and inefficiencies."

"Consequently, a large gap between public saving and investment persisted over the last decade, requiring large external financing, absorption of private domestic saving and inflationary bank financing."

The World Bank warns that Egypt, because of the deteriorating external economic environment (oil revenues and other

WestLB Finance N.V. Curaçao, Netherlands Antilles. A \$ 50,000,000 14% Bearer Bonds due 1991. Secured on a Deposit with the London Branch of WESTDEUTSCHE LANDESBANK GIROZENTRALE. Lists various partner banks including BAYERISCHE LANDESBANK, DEUTSCHE GIROZENTRALE, and others.

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WORLD TRADE NEWS

Japanese raise stakes in Soviet contracts race

THE international bidding for two large process plant contracts in the Soviet Union, together thought to be worth over \$400 million, has intensified with the emergence of Japanese financing offers.

Ericsson awarded Brazilian orders

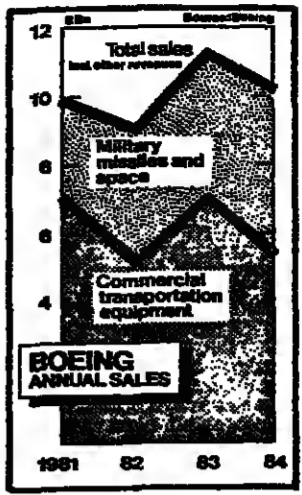
L. M. ERICSSON, the Swedish telecommunications and electronics group, has won orders worth \$100m (\$89.5m) from the Brazilian Government-owned Telebras PTT.

Airbus and Boeing step up war of words over subsidies Battle for airliner sales intensifies

ALLEGATIONS and counter-claims are flying across the Atlantic with increasing vehemence and regularity as the competitive struggle for jet airliner sales heats up between Boeing and Airbus Industrie.

to Europe by the strength of the dollar, moving into an area previously dominated by the US.

Where the Pentagon has bought commercial airliners in the past — such as 707s in the form of KC-135 tankers — more limited purchases of 747s for airborne command post and other duties — the US Government has not fair value for money, Boeing says.



Boeing's continuing dominance — the US company's order intake last year was \$15bn against \$4.5bn for Airbus — as providing further justification for its bid to enlarge its own airliner range.

NOTICE OF REDEMPTION To the Holders of WESTPAC BANKING CORPORATION

12% Subordinated Bonds due 1992 NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Trust Deed dated January 31, 1985, \$10,000,000 principal amount of the above described Bonds has been selected for redemption on February 18, 1986 at a redemption price of 101% of the principal amount thereof, together with accrued interest to said date, as follows:

Table listing bondholders and their respective amounts for the Westpac Banking Corporation. Columns include bond numbers and principal amounts.

Boeing is negotiating a joint venture in Japan, adding to existing co-operation over the 787, to bring Japanese companies into a future 150-seater project for A320.

Australia strengthens offsets policy

AUSTRALIA is to strengthen its offsets policy, which requires foreign contractors to pass on work to Australian government departments in Australian industry.

TDK to start production at former Grundig plant

A JAPANESE company is planning to make audio and video cassettes at a plant shut down since Grundig's West German consumer electronics group controlled by Philips of the Netherlands.

Seoul acts on copyright

SOUTH KOREA has announced it plans to introduce copyright legislation this spring and will either join the Berns Copyright Convention or the Universal Copyright Convention in 1988 to provide protection for foreign copyrighted works, writes Steven R. Badier in Seoul.

Talks may boost Gatt round

INFORMAL talks between the world's three major trading powers—the US, Japan and the European Community—and Canada could have a crucial bearing on the prospects for a new round of international trade liberalisation.

Can Europe catch up?

A bound reprint of a series of articles "Can Europe catch up?" and "Towards a Free Trade Community"—previously published in the Financial Times during 1985—is now available price £4.95 including postage and packing.

VOGELSTRUISBULT METAL HOLDINGS LIMITED

Table showing preliminary announcement of results for Vogelstruisbult Metal Holdings Limited. Columns include year ended 31 December 1985 and 1984, with rows for consolidated income, expenditure, profit/loss, and dividends.

DECLARATION OF FINAL DIVIDEND

Dividend No. 78 of 20 cents per share in respect of the year ended 31 December 1985 has hereby been declared in South African currency, payable to members registered at the close of business on 31 January 1986.

By Order of the Board per pro Consolidated Gold Fields P.L.C. London Secretaries Mrs. G. M. A. Gedhill, Secretary

London Office: 21 Charles II Street, St. James's Square, London, SW1Y 4AG, 15 January 1986

AMERICAN NEWS

Canada and Italy concerned over exclusion from G5

BY JAMES BUXTON IN ROME AND BERNARD SIMON IN TORONTO

MR BETTINO CRAXI, the Italian Prime Minister, has protested strongly about Italy's exclusion from the Group of Five industrial countries which take key decisions on currency issues. The Group of Five (G5) - whose members are the US, West Germany, Japan, Britain and France - meets in London this weekend to review the currency situation. The last time they met was on September 22 in New York, when they agreed to concerted action to drive down the value of the US dollar. Italy was offended not to have been included in that meeting, particularly because the Bank of Italy subsequently incurred a big decline in its foreign-exchange reserves through the need to act with the G5 central banks and sell the US currency. Italy and Canada, both members of the Group of Seven industrial countries best known for their spectacular economic growth, are clear their concern at their exclusion from the G5 meeting. The currencies of all the G5 countries are included in the basket on which the value of the Special Drawing Right (SDR) is based. Neither the Italian lira nor the Canadian dollar is part of this basket. At the end of December, Mr Craxi wrote to the heads of state of the US and France and the heads of government of West Germany, Japan and Britain protesting because Italy had not been asked to the London meeting of G5 this weekend. He pointed out that it was difficult for Italy to fulfil its function as

Shultz says sanctions would hurt

By Flora Thompson

MR George Shultz, US Secretary of State, said yesterday that if Libya's major European trading partners were to apply economic sanctions similar to those imposed by the Americans it would have a considerable impact and cause Libya great difficulties. Mr Shultz was speaking to European journalists on a satellite link up on the eve of his deputy Mr John Whitehead's arrival in London today. Mr Whitehead will tour several European capitals to discuss efforts to combat international terrorism. Asked if he was disappointed with the West German Government's reaction to the sanctions announced by President Ronald Reagan on January 7, Mr Shultz said: "Of course we would like to see positive reaction, we would wish their attitudes were different." He stressed, however, that Mr Whitehead would not be trying to "twist arms." Libya and Col Muammar Gaddafi, the Libyan leader, had been financing terrorists since 1980. "I have no doubt, and my friends in Europe have no doubt, that Gaddafi is in bed with the terrorists," Mr Shultz said it was necessary to isolate them, cut off their safe havens and connections.

Robert Graham on the impact a new civilian president may have in Central America Guatemala looks beyond its borders

GUATEMALA is expected to play a more active role in Central America following the inauguration of the country's civilian president, Mr Vinicio Cerezo, on Tuesday. Even before taking office, Mr Cerezo made a point of calling on the leaders of neighbouring countries and promoted the idea of a regional parliament as a forum to diminish tension and revive the moribund Central American common market. Guatemala is the most populous Central American nation with a population of 6m and its economy the most diversified with the widest export base. Furthermore, given its strategic position as the buffer between Central America and Mexico, a more outward going role by Guatemala is bound to have significant repercussions within the region. The most curious aspect of the tensions in Central America since 1979 that marked the onset of the civil war in El Salvador and the overthrow of the Somoza dictatorship in Nicaragua has been Guatemala's marginal position. Guatemala's military rulers have refused to take sides openly on regional conflict, even though they have been inspired by fierce anti-Communist ideologies and have been waging a tough campaign against a leftist inspired guerrilla insurgency in the countryside.

In part this reflected domestic preoccupations. The military was concerned with disputing the spoils of power and were clearly committed to crushing the guerrilla insurgency. But this independence has also been a consequence of the isolation imposed on the military rulers because of their appalling human rights record, especially regarding the Indians. Since the days of the Carter Administration, the US Government has provided only minimal financial and military assistance. The Guatemalan military regarded US pressure as unacceptable interference in domestic affairs, and fell little obligation to toe the Reagan Administration's line in Central America. On the contrary, Guatemala has made a point of retaining good relations with Mexico and an understanding with the Sandinista regime in Managua. Thus Guatemala, despite possessing the most experienced military establishment in Central America, has consistently refused to be drawn into reactivating the regional military alliance, Condeca, which the US would like to use against Nicaragua. The Guatemalan Government also refused to criticise Nicaragua. In domestic terms this policy has paid off. Nicaragua has studiously avoided supporting the guerrilla movement in



Cerezo: promising austerity



the Nicaraguan Government's international position will be weakened even further. Yet if Mr Cerezo resists, which he may well, it could provide a shot to the arm to peace efforts in the region - in particular the Contadora Group's initiative. The Contadora Group - Colombia, Mexico, Panama and Venezuela - discussed the peace plan in Guatemala City on Tuesday after Mr Cerezo's inauguration, resulting in a renewed pledge to make the initiative work. Developments are also expected in Guatemala's long running claim to Belize. In private Mr Cerezo has indicated to the Belize Government that he would like to see a settlement that would lead to recognition of the former British colony. Britain still retains up to 1,600 troops and military personnel in Belize, at an annual cost of £30m, to protect it against Guatemala. Any move to settle the dispute would have a direct impact on British military presence in a Central American country. The US Government has no desire to see the British go, and until now the Guatemalan military has also appreciated the fact that the British presence has ensured guerrillas do not use the country as a safe haven or as a conduit for Cuban weapons.

face of opposition from the powerful business community. The kind of austerity package under consideration should attract support from the International Monetary Fund and make it easier for resumed US aid. Just as in El Salvador, the Guatemalan military and the business community realise that a civilian government is the best guarantor of a continued flow of US aid - and this is probably Mr Cerezo's best card in dealing with the two groups. However, the record of the Reagan Administration in Central America has been to link assistance to political support for its regional policy. Renewed US assistance is bound to lead to pressure on Mr Cerezo to join the anti-Sandinista line up. If he does,

Reagan seeks to ease anti-trust laws

BY NANCY DUNNE IN WASHINGTON

THE REAGAN Administration has decided to seek changes in the US anti-trust laws which would allow American companies to compete more effectively in the international market place, the White House said yesterday. Mr Larry Speakes, White House spokesman, said the Administration would ask Congress to pass a legislative package which includes a proposal to exempt those companies hurt by imports from various anti-trust restrictions on mergers. The President would also propose limiting damage awards for violations of anti-trust law. Mr Speakes said that only five of the world's 15 largest corporations are located in the US. The current anti-trust laws, including the Clayton and Sherman Acts, are "from another era," he said. "In the long run we think it will allow American corporations to better serve consumers and it won't offer competition in the local market," he said. A reform of anti-trust laws has been under discussion within the Administration for some time. Mr Malcolm Baldrige, the Commerce Secretary, has frequently spoken out for an easing of the 35-year-old law. According to the Washington Post, the President will propose a five-point package including provisions which would make it more difficult for courts to block mergers; change rules that limit corporate directors from serving on the boards of competing companies; restrict the ability of US companies to sue foreign companies for alleged anti-trust violations committed on foreign soil. Another proposal would give a five-year exemption from the anti-trust laws for mergers and acquisitions in import-damaged industries. Similar legislation is already under consideration in Congress. The legislative package is likely to be extremely controversial in Congress, where critics have already complained about the Administration's weak law enforcement. Mr Peter Rodino, chairman of the key House judiciary committee, has said he does not believe any far-reaching changes will be approved.

Report calls for strategy to eliminate racketeering

BY NANCY DUNNE IN WASHINGTON

PRESIDENT REAGAN'S commission on organised crime has recommended the development of a national strategy to bankrupt racketeering which it says has now become firmly entrenched in the US marketplace. In a report released this week, the first comprehensive survey on organised crime in nearly three decades, the prestigious bipartisan commission criticised both the "fragmented," uncoordinated efforts of government agencies which "count bodies" as a measure of success as well as Reagan Administration "contacts" with suspected mobsters. "Certain political alliances and well-timed political contributions can create an appearance of impropriety," it said, mentioning Mr Jackie Presser, President of the International Brotherhood of Teamsters, who has on occasion met with the President and President Bush. He said "The impact of such contacts can lead to an erosion

Washington extends warm welcome to Ecuador leader

ECUADOR'S President Leon Febres Cordero, one of the US Administration's favourite Latin American leaders, because of his outspoken anti-Communism and free-market economic policy, has been given a warm welcome by President Ronald Reagan in Washington at the start of a six-day visit, AP reports from Washington. Much to the delight of the Reagan Administration and international bankers, Mr Febres has acted decisively to cut the State role in the Ecuadorian economy and also has promoted increased foreign investment. Since he took office 17 months ago, Ecuador's inflation rate has dropped from 60 per cent to 20 per cent. During his visit, Mr Febres is expected to sign financial assistance agreements with the World Bank and the US Agency for International Development. Ecuador is the only South American country that receives so-called economic support funds, a special category of assistance reserved exclusively for countries of special security and political importance to Washington. The amount earmarked for this fiscal year is \$15m (£10.5m).

IT'S NOT JUST GENIUS THAT KEEPS US GROWING.

"I am delighted, for the eighth successive time, to be able to announce a significantly improved performance for Guinness PLC.

Profits for the year ended 30th September 1985 are a record £86.1m: an increase of 22% over the previous year.

We've achieved this partly thanks to even greater popularity of our most famous brand. The most distinctive beer there is.

In the UK alone, sales of draught Guinness (supported by the Genius advertising campaign) increased at twice the rate of lager.

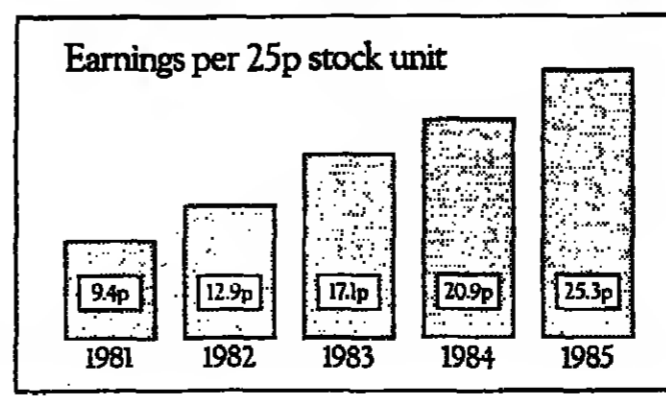
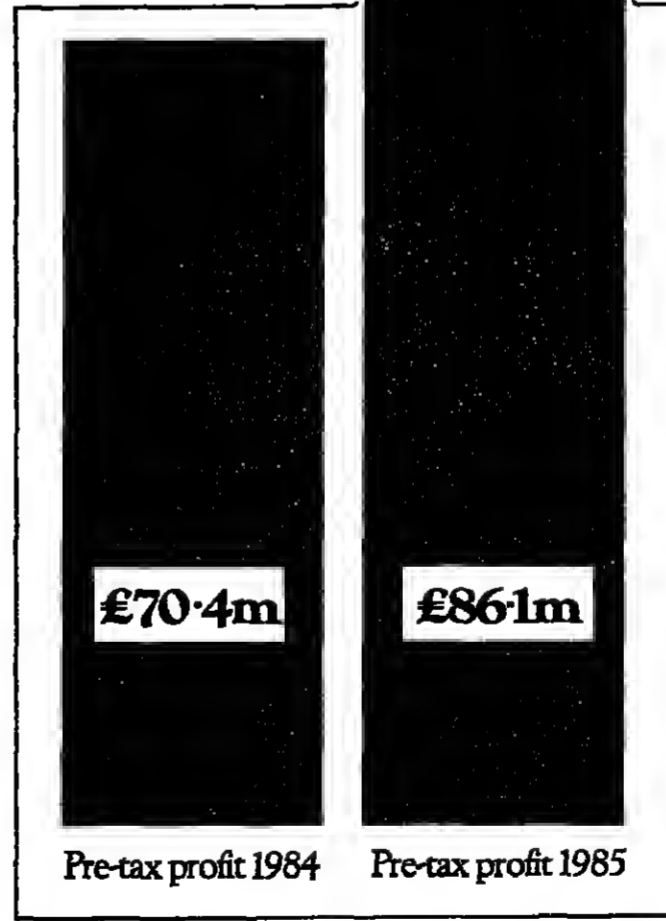
But our growth has not just been achieved by 'staying in the black'.

We've also applied our management skills to growing the company in four areas: International Beverages, Convenience Retailing, Health Care, and Publishing.

And we've acquired several more famous brands, each having great potential. Such as Bell's, Cranks, Gleneagles and Champneys.

BUILDING MOMENTUM FOR GROWTH

Bell's, with only a 5 weeks showing in the past year, contributed £1.9m profit. In Retailing, where we now have



over 1100 stores, we've increased profits from £5.5m to a very significant £13.8m.

GOOD FOR SHAREHOLDERS

Our twin strategy of good management for financial performance today and rapid exploitation of growth opportunities for significant business tomorrow is good for shareholders. Earnings per stock unit have increased 21%, and the proposed net dividend is increased by 12% to a record 7.2p.

Since September 1981, the company's shareprice has increased sixfold, and its market capitalisation tenfold.

In short, Guinness PLC is a dynamic consumer products and services company, set for exciting future growth.

I look forward to being able to report next year with even better figures."

Ernest Saunders, Chief Executive

GUINNESS PLC

GUINNESS, HARP, KILBERR, BELL'S, MARTIN'S, R.S. MCCOLL, R.G. DRUMMOND, 7-ELEVEN, HEDDARD, CHAMPNEYS, GLENEAGLES, CRANKS, NATURE'S BEST

Guinness is good for shareholders

**In 1982,
 a Midlands
 bakery found
 that 40% of
 their energy
 costs were
 blown away**

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You need a lot of heat to bake bread. And heat rises.

At Fresha Bakeries Ltd. in Leicester most of the heat was rising through the chimney and wafting down the street. Taking £128,000 with it every year.

As part of a joint demonstration project with the Energy Efficiency Office, the management devised a scheme to take the waste heat and recycle it throughout the bakery.

The system was so successful that there was enough heat not only to bake the bread but also to heat the bakery. And there was still heating left over to warm the van yard in winter, which naturally, made for happier drivers as well as fresher bread.

At the same time, they replaced their centralized boiler and steam distribution system and switched to cold water for washing delivery trays.

Fresha Bakeries is not a huge company. But still their energy savings are around £40,000 a year on an initial outlay of £92,000.

In other words, the scheme not only paid for itself in little over 2 years, it could save the bakery at least £40,000 every year from now on.

Of course, not all of us are in the business of making bread rise.

But stopping energy costs rising is everyone's business, and almost everyone can make savings.

Your company is probably losing money even as you read this, and you can put a stop to it by calling The Energy Efficiency Office.

being

We can tell you about ways to save money, and how to get a grant for a demonstration project like the one we gave to Fresha Bakeries.

Call us on the Monergy Hotline on 0800 234 800 or send in the coupon for a free Monergy Information Pack.



To: Monergy Pack, PO Box 3, Diss, Norfolk, IP22 3HH.

Name _____ Position _____

Address _____

Telephone _____



UK NEWS

EuroRoute plan for compromise on Channel link

BY ANDREW FISHER, DAVID MARSH AND DAVID THOMAS
THE EUROROUTE consortium, a contender to build a fixed link across the English Channel, has proposed a compromise tie-up with the rival Channel Tunnel Group (CTG) in an attempt to clear the way to a final Anglo-French decision.

Number in work reaches 23.7m

BY George Graham
MORE THAN 31,000 jobs were created in the third quarter of 1985, boosting the number of people in work in the UK to the highest level since June 1981.

Lionel Barber examines the hectic City trading over the helicopter group Battle rages for Westland shares

THE HECTIC trading in the shares of Westland, the British helicopter maker for which there are two rival rescue plans, has opened a new front in the political battle over the future of the company.



ALAN BISTON

This week, brokers acting on behalf of buyers sympathetic to the Sikorsky/Fiat rescue or the rival European aerospace consortium offer have been trying to garner enough shares to block or push through the US/Italian plan. That is due to be voted on at tomorrow's extraordinary general meeting (EGM) of shareholders at the Albert Hall in London.

ers are disturbed about the events this week in the stock market, which they believe are likely to strengthen the case for a tighter regulatory system for the City of London. The trading in Westland shares has resembled a takeover battle, said one senior fund manager who has so far resisted pressure to sell.

Union agrees Murdoch distribution deal

BY HELEN HAGUE, LABOUR STAFF
TRANSPORT UNION officials have made a provisional agreement with TNT, the transport group, for nationwide distribution of News International newspapers printed at its new printing plant at Wapping, in east London.

Visit by Star Wars chief could signal involvement by industry

BY PETER MARSH
LT GENERAL James Abrahamson, the head of the US Strategic Defence Initiative Organisation, is due next month to brief UK industrialists on the classified aspects of Star Wars technology.

Teachers' union quits pay talks

BY David Brindle
NATIONAL Union of Teachers (NUT) leaders last night pulled out of talks at Acas, the Government-backed conciliation service, aimed at settling the 11-month-old pay dispute in England and Wales.

Horse racing industry seeks satellite deal

BY Raymond Snoddy
BRITAIN'S horse racing industry is planning its own live daily satellite television coverage of racing for bookmakers' shops all over the UK.

Morgan Grenfell leads in takeover activity

BY MARTIN DICKSON
MORGAN GRENFELL was the most active merchant bank in takeover of UK public companies during 1985, according to a league table published yesterday by Acquisitions Monthly, an independent magazine.

MPs call for radical changes in administration of tourism

BY WALTER ELLIS
A RADICAL restructuring of the administration and public financing of tourism in the UK is proposed in a report published yesterday by the House of Commons select committee on trade and industry.

Jaguar keeps up export momentum

JAGUAR MAINTAINED its position as one of the UK's leading exporters last year by shipping out to overseas markets a record 29,675 luxury cars worth more than £600m, Kenneth Gooding writes.

System 'could create 1m jobs'

BY IAN HAMILTON FAZEY
MORE THAN 1m new jobs would be created if the Government cut bureaucracy and simplified the official administrative tasks that beset small businesses, according to research published yesterday by the Forum of Private Business.

State steel trims around the core

BY IAN RODGER
WHEN THE Thatcher Government made known in 1979 that its ambitious privatisation plans would also include the beleaguered steel industry, most people laughed.

Small-business lobby group seeks less bureaucracy

BY IAN HAMILTON FAZEY
MORE THAN 1m new jobs would be created if the Government cut bureaucracy and simplified the official administrative tasks that beset small businesses, according to research published yesterday by the Forum of Private Business.

UK NEWS-PARLIAMENT and POLITICS

Tarzan the showman puts on a star performance

MICHAEL HESELTINE has always had a highly developed sense of the dramatic. He has given us such colourful productions as the mace-wielding incident in the House and his midnight descent—dressed in a black jacket—to conduct operations against anti-nuclear demonstrators at Molesey.

Parliamentary sketch

Trade and Industry Secretary, found himself accused alongside his boss. Earlier, in a radio programme, it had been rather unfairly suggested that he had a shifty look because he had discarded spectacles for contact lenses. There was not much sign of this in the House, but he certainly appeared miserable and angry in turn, as Labour leader Neil Kinnock, acting as prosecuting attorney, remorselessly ploughed through a catalogue of dates, leaks and omissions.

Heseltine contradicts Thatcher over Westland affair

IN A dramatic confrontation with Mrs Margaret Thatcher, the Prime Minister, in the Commons last night Mr Michael Heseltine, the former Defence Secretary, directly challenged the accuracy of her account of the arrangement, used to establish a collective decision by the Cabinet on the Westland affair.



Mr Neil Kinnock: Truth is main issue. Mrs Margaret Thatcher: Further meeting not necessary. Mr Michael Heseltine: Collective judgement had been frustrated

He flatly contradicted her denial that a planned meeting of the Cabinet's economic committee on December 13 was cancelled and claimed that steps were taken by the Government to prevent him appearing on a BBC radio programme in which Mr Leon Brittan, the Trade and Industry Secretary, gave his version of the Government's policy.

But because a minority of ministers, including Mr Heseltine, felt very strongly about the matter, she agreed that a further discussion should take place in the Cabinet's economic committee, for which a full paper should be prepared.

Mr Heseltine maintained that officials of the Cabinet Office had recorded the decision to hold a further meeting on December 13.

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Inclusion of Lloyd's in City Bill ruled out

THE INCLUSION of the Lloyd's insurance market in Financial Services Bill was firmly ruled out yesterday by Mr Leon Brittan, the Trade and Industry Secretary, even if such a course were to be recommended by the committee of inquiry into Lloyd's headed by Sir Patrick Neill, the vice-chancellor of Oxford University.

Bae-Downing Street correspondence and DTI minutes in full

LETTER FROM SIR AUSTIN PEARCE, BAE CHAIRMAN, TO MRS MARGARET THATCHER

DEAR PRIME MINISTER, You should be aware that, while Mr Macdonald (Information Technology Minister) to discuss Airbus business on Wednesday the 8th January, Sir Raymond Lygo, my chief executive, had an important meeting with Mr Leon Brittan in the Department of Trade and Industry at 1700 hrs.

At no time was any discussion about the meeting held with Mr Michael Heseltine.

You should also be aware that I was the one who was approached by Mr Macdonald of the Department of Trade and Industry who expressed the department's concern that British Aerospace had not consulted the sponsoring department, the DTI, before setting up the consortium.

I reminded him of the meetings with Sir Basil Blackwell (former Westland chairman) on May 15 and Sir John Cuckney (Westland chairman) on July 15 when British Aerospace had shared its views on the DTI.

This letter is addressed to you and is not being copied to any other party.

OFFICIAL RECORD OF MEETING BETWEEN MR LEON BRITAN AND SIR RAYMOND LYGO

MEETING with Sir Raymond Lygo: January 8 1986. On January 8 the Secretary of State took the opportunity of Sir Raymond Lygo's meeting with your Minister to have a few words with Sir Raymond. Your Minister, Mr Macdonald (Deputy Secretary) and Mr Michell (Assistant Secretary) were present.

Had such views been expressed earlier they would undoubtedly have hindered the Secretary of State's efforts in the difficult and complex negotiations with the United States trade representative concerning semi-finished steel products.

At the meeting, Sir Raymond Lygo stated that he was not prepared to have published the minutes of the meeting taken by the Department of Trade and Industry, which will be published in full.

Let me emphasise that we are pleased that the Westland board has enjoyed a choice of offer. As I have told the House of Commons, Westland is a private sector public limited company and the company's decision on its future is a matter of commercial judgement for its directors, and ultimately its shareholders. That remains our policy.

They had not done so. Sir Raymond was fully aware of the dangers and hoped that he was capable of managing this delicate balancing act.

Poll boost for power sharing

MORE THAN 68 per cent of people in Northern Ireland agree in principle with power sharing between the political parties, according to an opinion poll conducted in the wake of the Anglo-Irish agreement.



Sir Austin Pearce: differing recollections

PUBLIC SPENDING WHITE PAPER

'The Government's best hope is to hold the line'

SIX YEARS into a Government is not the time to start making bold declarations about how you are going to slash public spending, particularly if you have already failed. The best you can hope for is to hold the line.

That comment by a senior Treasury official after last November's Autumn Statement is vividly illustrated by the colourful charts in yesterday's Public Spending White Paper covering spending plans for the next three financial years.

They show the familiar picture of steady rises in spending up to the present year, with targets overshooting the Government's hopes are then summarised in the flat lines running from the present to 1988-89.

The spending totals, £139.1bn in 1986-87, £143.9bn the following year and £148.7bn in 1988-1989, are unchanged from the Autumn Statement. They assume that inflation, as measured by the GDP deflator, will average 4.5 per cent, 3.5 per cent and 3 per cent respectively in the years 1986-87 to 1988-89.

If asset sales are excluded (the Government counts them as negative public spending rather than receipts) then spending is shown as rising by nearly 1 per cent in real, or inflation adjusted terms, by 1988-89.

This compares with a real increase of 4.6 per cent in the three years up to 1985-86. As a percentage of GDP the Government is hoping that public spending will fall to 43 per cent in 1986-87, the same level it inherited in 1979.

Within the overall totals, however, and assuming that the Government does manage to hold the line, the White Paper shows some substantial shifts in the way the Government intends to spend taxpayers' money.

Defence, up to now virtually exempt from attempts to control spending, finds its budget cut by nearly 7 per cent in real terms over the next three years.

SOCIAL SERVICES

Three-year squeeze on the way

ALL OF Britain's social services face a squeeze over the next three years, with only the National Health Service making marginal improvements.

Personal social services run by local authorities, social security payments and child benefit are set to fall in real value in each year to 1989, although political judgments may cause revision to some of these plans before then.

The White Paper commentary says total spending on health and personal social services in 1986-87 should be 7.5 per cent higher than in the plans for 1985-86. But in face 1985-86 expenditure exceeded the original plans so the actual increase is 6 per cent compared with an estimate of 4.5 per cent for inflation.

The National Health Service total expenditure is shown rising from £14.15bn in the current year to £16.48bn in 1987-88, representing increases of 6.6 per cent in 1986-87, 4.7 per cent in 1987-88 and 4.2 per cent in 1988-89. This means real rises of 2 per cent, 1.3 per cent and 1.2 per cent respectively.

EMPLOYMENT AND TRAINING

The state industries remain dependent Expansion plans checked

PLANS TO expand training provision on the Community Programme for the long-term unemployed are likely to prove a casualty of financial constraints on the Manpower Services Commission.

Yesterday's White Paper shows that the MSC's expenditure is planned to rise from an estimated outturn of £1,578m in 1985-86 to £1,820m in 1986-87. Further increases are planned, to £2bn in 1987-88 and £2.14bn in 1988-89.

The Commission had, however, been hoping to have an additional £7m to spend next year, and commissioners will have to consider at their monthly meeting next week which areas of proposed expenditure should be constrained.

Proposals to build a training element into the Community Programme, which provides the adult long-term unemployed with work on socially-worthy while projects, is a likely area for making savings.

DEFENCE

Funds for armed forces to be reduced

IF CONFIRMATION were needed that Mr George Younger is taking over the Defence Ministry at a very difficult time, yesterday's White Paper has provided it.

Defence spending, after an increase in real terms of at least 20 per cent since the maximum of the Falklands, is to decline. Figures published yesterday show this decrease will be about 7 per cent in real terms between the current financial year and 1988-89.

Mr Michael Heseltine, Mr Younger's predecessor, who resigned so dramatically over other issues last week, had set his face firmly against a defence review and Mr Younger seems certain to do the same in the first few months of his term.

Calculating the real cost of Trident, or implementation of major defence projects—though it seems certain he will try to avoid outright cancellation of key weapons systems and the introduction of the kind of moratorium on payments to defence contractors applied in the disruptive run up to the 1981 defence review.

TRADE AND INDUSTRY

Support for businesses to fall

THE new White Paper again moves the hopes a year further on. The estimated outturn of external financing limits for 1985-86 has risen to £2.2bn and the assumption now is that external finance amounting to £329m in 1986-87 and £67m in 1987-88 will be needed to meet the small net repayment of £27m in the year they will start.

The 1985-86 outturn is worse than planned because, according to the White Paper, it is generally estimated that the knock-on effects of the miners' strike are adversely affecting the coal and electricity supply industry 1985-86 estimated outturn by around £1bn.

Within the overall reduction, provision for increases are made in selective assistance areas to £97m, and in selective assistance (Section 7 grants) from £89m to £94m. Increases are also provided for some activities relating to the regulation of trade and industry, including extra efforts to combat fraud, announced last week. The total provision for this sector is £40m by 1987/88, compared with £22m in the current year.

Substantial changes in the support for certain industries is planned, particularly aerospace which will fall from £111m to £10m, reflecting needs now coming from previous programmes and shared contracts. Support for steel will drop from £17m to £8m, and for shipbuilding from £49m to £26m. This includes spending on launch aid, including that to British Aerospace for its participation in the Airbus A320 and the EH 101 helicopter joint venture between Westland Helicopters and Augusta, the Italian manufacturer.

CIVIL SERVICE

Pressure on costs Councils kept waiting

A PROVISION of £13.3bn total gross running costs has been made for the Civil Service in 1986-87, compared with an estimated outturn of £12.6bn in the current financial year.

The White Paper points out that central government running costs have been increasing in recent years faster than the rate of inflation. The new system, which it is intended will gradually replace manpower targets, will highlight running costs in each department and aim to bring them under closer control.

These levels will be reconsidered in the public expenditure survey later this year "in the light of local authorities' current spending budgets for 1986-87, and other factors." The fact that provision for later years may need to be increased has been taken into account in setting the level of the reserve.

Local authorities' current spending in England and Scotland continues to run well ahead of published plans despite rate limitation and the grant pressures the Government has applied.

LOCAL AUTHORITIES

Councils kept waiting

THE White Paper shows that for the first time no decision has been taken by the Government on the provision for local authorities' current spending levels beyond the 1986-87 financial year.

OVERSEAS AID

New soft loan facility for exporters

BRITAIN'S overseas aid should stay slightly ahead of inflation next year, with net spending planned to increase by 4.8 per cent, from £1,133m in 1985-86 to £1,187m in 1986-87.

The English and Welsh authorities are scheduled to receive £10.9bn in the 12 months from April for their current spending, which is about £210m or about 5.3 per cent more than they were allowed by last January's expenditure White Paper. But the increase is still about £500m short of the amount the authorities have said they needed for their current spending on education.

The universities are to have a total of £1.1bn for recurrent spending in the year from April, compared with an estimated £1.38bn in 1985-86. But in real terms the universities' allocation represents a decline of about 1.6 per cent in their funding, and they are evidently to expect similar reductions in each of the following few years, though their student numbers are scheduled to increase slightly.

Hazel Duffy

Richard Evans

Robin Pauley

Alan Pike

Hazel Duffy

Michael Dixon

Anatole Kaletsky

Philip Stephens

MANAGEMENT Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

Feona McEwan reports on the progress of a campaign to revive the fortunes of British products

Designed to recoup lost ground

WITH EVERY year that passes, more and more British consumers are seduced into buying stylishly designed electronic gadgets from Japan, stylish and sophisticated cars from West Germany, and a host of other top-quality imported products.

Yet much of British industry continues to suffer from a debilitating handicap about the competitive edge which can be gained from good design.

Encouraging more investment in design, as part of the development and marketing of competitively-priced products, has been the clarion call of the government-backed Design Council for years. But it has proved a hard nut to crack. Since 1982, when the Prime Minister himself began to bang the drum, the government has offered

industry attractive subsidies to make use of Britain's wealth of design consultants, many of which still complain that lack of domestic demand for their work forces them to earn most of their keep from the UK's rivals abroad.

The Support for Design scheme, which the Design Council operates with funding from the Department of Trade and Industry, is aimed at persuading unconvincing small and medium-sized companies that design does indeed pay, by swelling sales and boosting profits. Originally open to companies with between 30 and 1,000 employees, it now stipulates "up to 500," which means that start-up companies can also apply.

Fifteen working days of specialist design consultancy are offered, with no charge for the first two days. Thereafter the company pays a quarter of the cost, with the balance paid by the DTI. In effect, this means about £1,500 worth of consultancy is available.

So far, 4,000 projects have been undertaken, 60 per cent of them for companies which have never before used design consultants. Over 2,000 projects have been completed. The design input has covered all manner of product design, from fashion items to hydrostatic bearings, pocket diaries to suppliers. Services were recently included in the scheme for

the first time, embracing interior design, corporate identity, promotional literature and packaging.

The fruits of the scheme can be seen at an exhibition which opened yesterday at the Design Centre in London featuring many of the products which have benefited. The stories of two of them are outlined below.

Not all industries are using the scheme as much as they might. Fashion and heavy engineering are notable by their absence, says John Benson of the Design Council. Starting with the clothing industry, the Council is making those companies that have shown most resistance to offers of support.

What, then are the effects of the scheme? On the evidence so far, according to Benson, about 60 per cent of companies continue to use the designer beyond the statutory 15 days. Only seven per cent have rated the scheme of no or little value. A random sample of 41 companies, surveyed two years after they had used the scheme, showed 12 to have products already in manufacture and 13 scheduled for next year.

For the design industry itself the scheme has obviously been good news. Many small consultancies have benefited, along with the leading industrial and engineering design firms. For

British lifestyles The quirky customer

David Churchill examines a spending puzzle

A FUNNY thing happened to the British way of life last year: more people went out to the cinema instead of staying in to watch films on their video machines.

This reversal of years of decline for the cinema trade, allied to one or two other straws in the wind, is causing some concern to Britain's marketers at the beginning of 1986. Has the firm trend of the 1980s towards more home-centred activity, expenditure, and entertainment come to a premature end?

The answer is crucial to the marketing plans of consumer goods manufacturers, High Street retailers, and most companies in Britain's blossoming leisure industries. Strategies that have been developed on the basis of consumers spending more time and money at home suddenly do not look so secure.

plunged further into gloom as beer sales have fallen and fewer people have preferred to drink in pubs. At the same time, take-home sales of alcohol have boomed, with many supermarkets now doing over a third of their business from drink alone.

As with drinking, eating out has failed to provide a real alternative to eating at home. Spending on eating out has only risen from 2.28 per cent of all consumer spending in 1975 to 2.34 per cent last year. The main growth sectors have been low-budget take-aways and fast-food.

Yet home-centred activity has not simply been a response to the recession and poor economic circumstances. Research shows the trend towards the home has been spearheaded by the ABCI socio-economic classes—broadly professional and managerial—who have most disposable income. It seems that many people in these groups actually prefer to live a home-centred life.

"There is no doubt that the trend towards home-orientated activities that we've seen since 1980 was not so strong last year," says David Darton of the Henley Centre for Forecasting, which has just published its latest forecasts of Leisure Futures.

The "straws in the wind" that are also beginning to worry marketing executives include the buoyancy of foreign holidays in 1985 and the increased popularity of out-of-home activities such as visiting theme parks and watching sports (apart from soccer).

Most observers of consumer trends agree that there seems little reason for the long-term trend towards home-centred activity to go into reverse. Henley, for example, forecasts that the near-37 per cent share of 1984's leisure spending (totaling £47.5bn) which went on home-related activities will increase to nearly 39 per cent by the end of the decade. But the apparent slow-down in the current trend may remind marketers that consumers can be a fickle bunch.

Yet it would take a brave or foolish marketer to clutch too firmly at such straws. The home-centred trend of the early 1980s looks too well entrenched to be dislodged that easily.

The impetus for "Fortress Britain," as it has been dubbed by some pundits, has come from two directions: the onset of the prolonged economic recession made home-centred activities a much cheaper alternative to going out for even a modest level of entertainment; and home ownership has continued to rise steadily, bolstered by the rise in council-house ownership. Owner-occupation, according to a new report on the British life style from the Mintel market research group, has risen from 55.5 per cent in 1980 to 63 per cent last year.

The consequences of homes becoming the centre of consumer activity are many and varied. That great British institution, the pub, has been

Pyrex hits up the pace

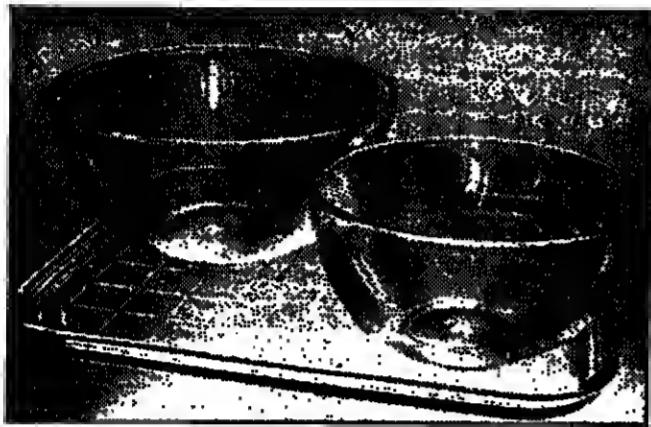
PYREX GLASSWARE has been a household name among British consumers since the 1920s. But as its markets have become more fashion-conscious, its products have increasingly lagged behind more design-orientated competitors.

When Corning, the American-owned company behind the brand, decided to renew the entire Pyrex UK range in 1982, and commissioned a special market survey, it discovered the worst: the Pyrex image was seen as outdated and irrelevant to modern needs.

"Design had previously been done mainly in-house, often without much reference to the needs of the market," admits David Dowson, Corning UK's marketing and sales director. "Engineering disciplines are required in designing glass moulds, and many products looked as if they had been designed by an engineer. Attention was paid to internal considerations—like being good to make—but not to external, such as being good to look at, easy to handle, and so on."

Corning had already decided to employ Conran Associates before it sought the Design Council's help. "What the scheme did was enable us to afford very much more," says Dowson.

Together, they worked to combine factory practicalities with that all-important missing ingredient, consumer appeal.



First, the volume selling items were identified and some 15 new products commissioned. Plastic models were tested in discussion groups of housewives, and then the Good Housekeeping Institute vetted them for ergonomic accuracy (measures and capacities).

The result was the Classics range of co-ordinated glassware, launched in 1984, which is a cohesive and versatile range along classical, yet modern lines, in place of the disparate, functional pedestrian shapes of old. For instance, a mixing bowl now becomes a salad bowl by adding a stand and servers.

Consumers have proceeded to vote with their purses. Volume sales of Pyrex bakeware rose 30 per cent between 1983 and 1985, and the brand's market share has doubled, from five per cent in 1981 to 10 per cent last year. The company pays due tribute to design in its ris-

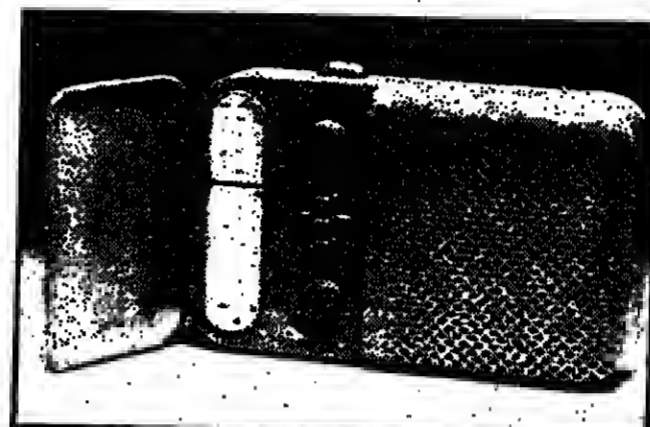
On Japan's wavelength

SELLING RADIOS to the Japanese is like sending bulbs to the Netherlands or watches to the Swiss. They have to be really outstanding to have much of a chance in the market place.

One doughty small British company, Ross Electronics, which has already carved enough of a name for itself in the headphones business to tempt the Japanese to buy British, is now attempting to do the same thing with radios. It thus becomes one of only two UK companies making radios locally. The other—of the London-based company, Marks, the managing director of the London-based company, was about £60,000, to which the scheme contributed about 8 per cent.

The brief to designer Graham Thompson of Brand New Product Origination (with whom Ross had worked previously on headphone design) was a tight one. A radio that did not look like a traditional Far East design, one that would suit any room in the house and that people would be proud to leave out and that was not unsightly; and one that would appeal across all age-groups, from teenagers to pensioners.

Consumer research showed that many people tend to listen to only one station regularly. Hence the provision of a neat door which hides the controls; and the decision that the only visible knob should be the on/off switch. Thompson then produced about 20 design concepts, from which the softly-moulded ABS plastic model was chosen.



marks, the managing director of the London-based company, was about £60,000, to which the scheme contributed about 8 per cent.

The brief to designer Graham Thompson of Brand New Product Origination (with whom Ross had worked previously on headphone design) was a tight one. A radio that did not look like a traditional Far East design, one that would suit any room in the house and that people would be proud to leave out and that was not unsightly; and one that would appeal across all age-groups, from teenagers to pensioners.

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THE ARTS

Exhibitions/Patricia Morison

Tourist perspectives



"The Arch of Constantine" by Ducros

Fashionable travellers on the 19th-century Grand Tour did so at considerable cost to their pockets, patience and health...

Typical was Sir Richard Colt Hoare, owner of Stourhead, who rhapsodised over Ducros's dramatic scenes of the Falls at Tivoli...

Also at Manchester is a highly entertaining exhibition of 19th century wallpapers, A Decorative Art, which has been extended until February 15...

Ducros is not to everyone's taste—there are too many painstakingly executed bricks in the Arch of Titus and too much aqueous blue in the distant prospects...

With his techniques for turning out souvenirs at a tremendous pace Ducros should have ended up rich. Unfortunately, jealous local artists and the French Revolution drove him from Rome and Naples...

Photographs and patterns recall the 1890s drawing-room, a jungle of motifs from the patterned carpet, up past the anaglypta dado, the in-filling, the frieze, to the patterned paper on the ceiling.

Janet Smith/The Place

Clement Crisp

"Accessibility" appears to be the key to the work of Janet Smith and her small company. The introduction to the programme booklet claims that the troupe has this reputation...

Whether in Dan Waggoner's Piece as a Bird (dance hall quietness), or Miss Smith's Near and Far (happy and sad duets to music entitled "Donkey Droppings" and "Cooking Oil")...

other bodies; one girl in the company has cornered the market in vivacity; one chap emoting to an old shoe. But more serious than sameness and cliché and the desperately ingratiating air to the evening...

Alabama Shakespeare Festival

Frank Lipsius

In The Millionaire, an old American television drama, a stranger gave away a million dollars to the audience...

Now the company faces the challenge of growing into its new home. Red Blount gave an extraordinary gift but he demanded that others provide the operating funds...

Robert Browning in "The Glass Menagerie" seated Octagon which has a thrust stage a third of the size of the proscenium Festival. Robert Browning's soft good looks and relaxed Southern manner...



Robert Browning in "The Glass Menagerie"

Simon Boccanegra/Covent Garden

Max Loppert



Renato Bruson and Kiri te Kanawa

As was widely publicised, the Royal Opera's long-awaited Otello (new production, conductor Carlos Kleiber) was transferred to Covent Garden...

"noble" is justly applied. He has his limitations—a lack of sheer vocal grandeur to dominate the Council Chamber Scene, a lack of that indelible impression of colour on words that makes Gobbi's Doge live in the mind years after the experience of it...

Claude Helffer/Wigmore Hall

Andrew Clements

To begin a recital with Brahms's F minor Piano Sonata is a bold, combative gesture, implying a cast-iron technique. The opening plunges the pianist right into the thicket of things with thick notes that cold fingers can so easily misplace.

generated a kind of sonorous effect, though rubato at the climax was stubbornly inexpressive. "La sérénade interrompue," "Danse de Puck" and "Minstrels" lacked any vestige of humour or textural light and shade.

It was altogether an extraordinary performance, even without the constant spice of wrong notes. Textures were inverted, dynamics consistently strict, tempi either pedantically slow or uncontrollably fast.

The percentage of errors was substantially reduced in a selection from Book 1 of Debussy's Preludes, but the tone remained as charmless as ever. "La cathédrale engloutie"

Toshiba donates funds for Japanese Gallery

Toshiba has given £350,000 to the Victoria and Albert Museum in London to help set up a gallery of Japanese craft and design.

Small-scale performances of Beethoven continue apace. Rumour has it that two complete cycles of the symphonies have been recorded on original instruments and are awaiting release.

Missa Solemnis/Elizabeth Hall

Richard Fairman

positive evidence to the contrary, reports at the time mention a chorus of 80 or 100 and in one letter Beethoven talks of having a string section in the orchestra with 24 violins and 10 violas.

approach should not be taken too quickly, for after years of hearing this music under conductors who approach it from a romantic standpoint we now have the opportunity to hear one who comes to it, as it were, from the other end.

Arts Guide

Music/Monday, Opera and Ballet/Tuesday, Theatre/Wednesday, Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Jan 10-16

Exhibitions

PARIS

Old and new: State acquisitions over the last five years. The 240 exhibits range from an Egyptian pleasure garden from 1800 BC to contemporary artists and comprise paintings, sculpture, pieces of furniture and objects d'art.

Italy: Museo Correr (Ala Napoleonica), Folon: Over 200 works by the celebrated Belgian artist, among them 120 watercolours and original illustrations to Apollinaire, Prévert, Boris Vian and others.

Spain: Repetitive Structures. 22 works by 21 artists on loan from Ludwig Museum in Cologne, among them, Andre, Judd, Lewitt and Morris engaged in the Minimal movement and Andy Warhol, Lichtenstein and Dine in the Pop Art.

USA: The Berlin Years (1918-1933). A collection of letters of life in Weimar Germany from the First World War to Nazism. Grosz, a committed socialist and celebrated draughtsman, produced powerful caricatures of establishment figures from the church, the Government and the financial world...

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VIENNA

Kandinsky in Paris 1934-1944: An extensive collection of oil paintings, gouaches, watercolours and photographs from the last 10 years of Kandinsky's life, organised by the Guggenheim Museum, New York. It shows the culmination of his development as pioneer of abstract art, his earlier dramatic exuberance giving way to a more refined style with softer pastels and monochrome colours, but the dynamism remains. In sections on Black Backgrounds and Concrete Art Kandinsky's works are brilliantly complemented by those of Klee, Mondrian, Arp, Miro and Picasso, showing his influence on a generation of European abstract artists. 20th Century Museum. Ends Jan 21.

WASHINGTON: National Gallery: The Treasure Houses of Britain collects 700 objects from 200 stately homes in a show mounted and decorated to look like the quintessential stately home, with paintings by Holbein, Rubens, Van Dyck, Hogarth and Turner among many others, as well as Chippendale furniture, Meissen and Sèvres porcelain and tapestry, jewellery and armour. Ends Mar 9. National Museum of American Art: 73 works of New Zealand Maori artists show the mixture of religious, symbolic and artistic traditions in feather carvings, ceramic vessels, carved and painted gourds and woven hangings using native materials. Ends March 9. Renwick Gallery.

Saleroom/Antony Thorncroft

Corner of classicism

The salerooms are slowly recovering from their mid-winter break. Henry Spencer & Sons in Bedford sold an interesting item this week — one of the 150 silver race tickets issued in 1777 to finance a new grandstand at Doncaster and which allowed the holder free admission in perpetuity. It made £750.

With less than 70 objects the exhibition underlines just how familiar, and how strange, the classical world is to us. The marble busts are instantly acceptable and come from the great collections amassed by British aristocrats at the time of the Grand Tour — from Holkham and Petworth and Chatsworth. But what are we to make of a giant porphyry foot, from Newcastle University — not a broken limb from a massive statue but created as a foot, to be worshipped by a cult.

There are some eye-catching objects — two Greek bronze helmets of the 6th century BC, striking evidence of the small statue (and heads) of classical men; an Attic vase which depicts a young girl taking off her red boots before bathing in a vessel the size of an entrée dish, and a large marble ship, 12cm long, which gives an accurate portrayal of a Roman vessel or around 100AD, and was perhaps designed as a fountain.

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FINANCIAL TIMES BRACKEN HOUSE, CANNON STREET, LONDON EC4A 4BY

Thursday January 16 1986

A sum less than its parts

THERE IS an unfortunate tendency with public spending to believe that it is the big picture rather than the fine print that matters...

Slippage The big picture for public spending is not particularly inspiring. For the umpteenth time the Government is saying it can stabilise public spending in real terms...

The best guess must be that public spending will continue to grow in real terms despite protestations to the contrary...

Open standards in computing

THE DESIGN rules which electronic system suppliers must follow at connecting equipment of different types and manufacture...

Yet they are crucial to the development of the information technology industry worldwide; this point will be underlined in two weeks' time...

Complicated To allow computers of different origin to communicate with each other, every detail of the connection programme must be exactly right from the physical size of the connecting plugs...

High Grade If Sam Goldwyn were still alive he'd be spinning in his grave. During enquiries into the business methods of Australian entrepreneur Peter Holmes & Court...

Black horse for Bootle Lloyds Bank may not have acquired a whole firm of stockbrokers for its foray into the new world of securities trading...

Men and Matters 3 Court bearings, which has just been published and is just being published and is just being published...

Political views Though MPs seemed to have other things on their mind—as former BBC chairman Lord Swann noted—peers and permanent secretaries turned out in force yesterday for a Lord's reception for the Rt Hon Jim Baker, MP...

Cash in hand Trafalgar House chairman, Sir Nigel Brookes, despite his preoccupation with one of the Channel fixed-link projects, assured a shareholder at yesterday's annual meeting that the company's £167m cash was tucked away in a safe place...

Change pending Philip Cooper, comptroller-general of the Patent Office, slipped into his job almost unnoticed two weeks ago but is likely to adopt a much higher profile in the months ahead...

The Gramm—Rudman law Clock ticks on the US deficit

By Stewart Fleming in Washington

IT IS no wonder that there is a palpable sense of nervous anticipation in Washington as the Gramm-Rudman era draws to a close...

THE economic implications for policy makers in the US and abroad who see the resolution of the budget deficit as a key to more stable growth...

THE Budget Reform Bill now known as the Gramm-Rudman had, in fact, three sponsors: Senator Phil Gramm, a former conservative southern Democrat who was elected to the Senate as a Republican...

As signed into law on December 12, the bill sets a target for the deficit of \$117bn in 1986 but approves a conflicting requirement to limit automatic spending cuts to \$11.7bn...

Between 1987 and the 1991 fiscal year the deficit target falls steadily from \$144bn to zero. This is the timetable for this year.

February 2: President submits budget to Congress. March 1: Deadline for

efforts to block this process on constitutional grounds. Moreover, even some Administration officials concede that the forthcoming presidential budget looks politically unrealistic...

Another is the sheer impracticality of that process on the part of a Republican Congress that cannot in good conscience as Commander in Chief support or carry out that kind of cut (in US defences)...

In trying to assess how the jockeying for political advantage will progress, some observers argue that the Gramm-Rudman cuts will be needed if there is no further congressional action...

October 1: Fiscal year begins. October 15: Final order issued aimed at getting deficit down to the Gramm-Rudman target.

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PHIL GRAMM

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THE TIMETABLE

- April 1: The two congressional budget committees are scheduled to report their own concurrent budget resolutions. Congressional action on the resolution to be completed by April 15.

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ECONOMIC VIEWPOINT

SOVIET FOREIGN POLICY

No longer crying wolf

By Samuel Brittan

THE GROUP of Five Finance Ministers are meeting in London this weekend at a time when it is no longer fashionable to "cry wolf" about the world economy, whatever parochial political problems may exist in London.

The dollar has fallen sharply, but without getting out of control, since the New York meeting in the Plaza on September 22 last year. The US no longer practices or prescribes benign neglect either of the dollar or its payments or budget deficits.

The falling trend of oil prices is beneficial both to growth and inflation control in most countries. The world is—touch wood—living with the less developed country debt problem.

Moreover, despite the refusal of European and Japanese Governments to undertake "co-ordinated fiscal relaxation," their growth achievements and prospects are not enough to break the back of the stagflation problem—suggest at least continuing recovery.

It would be too good to be true to suggest that the main international worries are the impact of oil and US wages on sterling, or the confidence effects of the Thatcher-Heseltine saga.

My view is that it is just when the alarmists have decided that a change is for signs of trouble, but assured—this article will not conclude without its fair quota of warnings.

But first one should examine why the cries of "wolf" have so far proved wrong. As far as the OECD countries are concerned, the now discredited diagnosis of "fading recovery" rested on two pillars.

One was a view that the US recovery would fade away, whether because of a change in fiscal policy, the effect of dollar over-valuation, or simply because the recovery was historically "old."

The second pillar was the view that the greater part of European growth was based on a stimulus from the US; and once that faded, it would be difficult to see where the growth would come from unless countries outside the US applied a fiscal stimulus.

The reality has been very different. The US, based on the average of the last quarter of 1984 and the first quarter of 1985, the dollar has fallen by

give or take 20 per cent against the mark and the yen. The US merchandise trade deficit is likely as, Professor Martin Feldstein predicted in his Financial Times article of January 2, to reach its peak in the course of 1986 and then begin a moderate decline.

The US budget deficit, both actual and structural, should decline by up to half a percentage point as a proportion of GNP in 1986. Looking further ahead, the Gramm-Rudman Bill is, despite constitutional challenges and obstacles, likely to put the US on the path of long-term deficit reduction.

Modestly satisfactory though these developments are from

Table with 3 columns: Year (1984, 1985, 1986), and rows for Real GNP, US, Japan, Germany, OECD Europe, Total OECD. Includes source: OECD Economic Outlook, December 1985.

the US point of view, they mean that little remaining stimulus can be expected either from the US trade or budget deficits.

Yet the latest OECD estimates and forecasts do not show any sign of fading world recovery.

Some reasons for the discomfiture of the alarmists were set out in a speech by the British Chancellor to the Foreign Bankers' Association on December 5, to which little attention was drawn, but which did reveal the development of post-Keynesian thinking among Treasury strategists.

The speech challenged the relevance of the question: "Where will the growth come from now?" It maintained that if "responsible" financial policies were followed in major countries, there would be plenty of self-sustaining pressures for growth.

The New Treasury Doctrine does not quite restore the classical dictum known as Say's Law and assert that supply creates its own demand. But it does expect growth to take place more or less in line with

productive capacity, with some times external and sometimes internal demand in the lead, without constant Government prodding.

The important exceptions are provided by shocks and policy errors; e.g. when an excessive boom has put pressure on capacity, when wages or commodity price shocks have stimulated inflation, or when too-easy money has led to an inventory build-up, followed by destocking. (Some of these examples would make Friedmanite monetarist's hair stand on end.)

It is arguable that fiscal tightening to reduce structural budget deficits in Europe can be regarded as an exceptional event or as a "shock" with demand-reducing effects. If so, it is

comforting that deficit reduction outside the US has almost run its course, and little further contractionary pressure is to be expected from that direction.

This is not the place to discuss exact interpretations of the "responsible" financial policies which loom so large in the New Treasury View. But I would supplement it by the Kudlow doctrine. (Lawrence Kudlow is a former adviser to the US Budget Director, whose Foxhall Review is indispensable to anyone following the US scene.)

According to Kudlow, conventional forecasters badly neglect the effects of "financial asset revaluation" on both consumer spending and investment. By this he means the large stock and bond market rallies, both in the US and elsewhere, which have greatly boosted financial wealth, despite this month's setbacks.

Accordingly he forecasts 5 per cent US real growth, much higher than the general consensus. The Fed implicitly respects his prognosis, if not his reasoning, as can be seen

from the way it has shied away from a cut in the discount rate. But its ability to tighten policy is limited by the international desire to prevent a bounceback in the dollar.

The Fed's main contribution to the fall in the dollar has been not so much the very moderate US exchange market intervention. More relevant is its holding of the federal funds rate within spitting distance of 9 per cent, despite an overshoot of both the original 1985 monetary ranges and the rebased ranges introduced in mid-year.

It is this element of Fed stimulus behind the US upturn and dollar decline that leads us to the worst worry about the world economy. As Stephen Marris rightly says on the first page of his indispensable Deficits and the Dollar (Institute for International Economics, Washington, 1985), the phenomenal rise in the dollar from 1980 to 1985 was due to a strong rise in investment demand relative to domestic savings in the US, largely because of a massive increase in the structural budget deficit "at a time when there were ample excessive savings in the rest of the world."

A cure for the US imbalance, as Marris says, requires both a sharp cut in the US budget deficit and (in his view) a still greater decline in the dollar.

If the dollar falls without a steady decline in the budget deficit, two unpleasant possibilities appear. One is a very sharp rise in US interest rates sufficient to choke off the surplus of domestic investment over savings. The other is an increase in the inflation rate which would make the dollar depreciation partly nominal rather than real. (Kudlow expects 5 to 6 per cent US inflation by year end in any case.)

Even if the optimists are right about the US budget deficit, it still may not fall fast enough to prevent some unpleasant combination of the above possibilities.

None of this means that Mr Paul Volcker, the Fed chairman, should forget the dollar and go back to an entirely domestic monetarist orientation. That would be to leap out of the frying pan into the fire. If international portfolio preferences turn against the US in a big way, as Marris fears they will, it would then be possible

to decouple international interest rates from American ones and perhaps even engage in the multilateral interest rate disarmament the Japanese Prime Minister advocates.

But this is certainly not feasible now when US and Group of Five fears are equally balanced between concern about a possible free fall in the dollar and concern to prevent an undesirable rebound to earlier levels.

Marris (and Volcker too) would like fiscal stimulation outside the US, led by Japan and Germany, to take some of the pressure off the US balance of payments as well as underpinning world growth. But Marris admits that, had other countries followed the US lead in deficit finance in 1981-85, it would have led quite soon to a worldwide inflationary boom—although many economists were urging such a course, even while the structural budget deficit in the US was still rising.

My own judgment is that there is a strong case for some temporary Japanese and German fiscal relaxation, if the two Governments desire it, but not such a strong case as to justify other countries trying to impose it on them.

In the long run—in which most of us are still alive—large worldwide budget deficits mean lower savings and less growth. The eventual destination for excess Japanese savings should lie neither in the US, nor in domestic public works forced upon Japan by the Group of Five but in newly industrialised countries, especially in the Pacific basin.

Finally, there is a great opportunity, which could prove a lifeline if mishandled, namely the possibility of a really sharp fall in the oil price. On most economic models an oil price fall of 20 per cent would reduce inflation by 1 to 1 1/2 per cent per annum on impact, and raise growth by over 1 per cent in the whole OECD area, with some possibility of a virtuous circle if governments maintain growth of nominal demand.

But, of course, there will be many casualties among countries, companies and banks involved in oil production; and the art of policy will be to prevent these casualties from contaminating the world financial system while not discouraging the highly desirable break-up of the Opec cartel.

Moscow's new self-confidence

BY PATRICK COCKBURN

THE SOVIET UNION and the US return to the disarmament negotiations in Geneva today with no expectation of an immediate breakthrough on the limitation of nuclear arsenals or the US Star Wars programme which Moscow wants to ban.

But the most significant change in the foreign policy of the super powers since the Geneva summit is the Soviet Union's assertion of visible equality with the US in the Middle East and Asia in a way not seen under President Brezhnev. The Communist Party daily Pravda says, on the contrary, that the only real change internationally is a more interventionist US foreign policy which it terms "new globalism."

It described this last week as a new "assertion of the US right to intervene on a global scale in the affairs of sovereign states, wage undeclared wars and covert and overt subversion against them."

Surprise

Yet the biggest surprise in the Libyan crisis, so far, is not President Reagan's dispatch of the Sixth Fleet to sail off the Libyan coastline or his economic blockade but the strength of the Soviet reaction, significantly stronger than in 1981 when two Libyan jets were shot down by US aircraft.

Nor is this the only sign that the Soviet Union is actively re-entering Middle East politics in a way not seen since President Sadat of Egypt switched alliances from Moscow to Washington in 1974. Later next month Mr Gorbachev will try to reconcile Mr Yassir Arafat, chairman of the Palestine Liberation Organisation, and President Assad of Syria, two of its key allies in the Middle East, when they pay separate visits to Moscow.

Soviet Far East policy is also being conducted with more vigour this week. Mr Eduard Shevardnadze, Soviet Foreign Minister, started a five-day visit to Japan, the first by a Soviet foreign minister for 10

years. Mr Gromyko visited Tokyo just once in his 28 years as foreign minister. Later in the year visits will be exchanged between Mr Shevardnadze and the Chinese foreign minister.

The extent of the change in Soviet foreign policy is masked by exaggerations of its past vigour. President Reagan spent much of his first four years in power saying "the Soviet Union underlies all the unrest that is going on" in the world. Belief in this charge in the White House presumably obscures notice of the degree to which Soviet foreign policy was moribund in much of the world from the mid-1970s on as a leadership crisis paralysed the Kremlin. Its foreign policy was progressively confined to a narrow focus on relations with Washington.

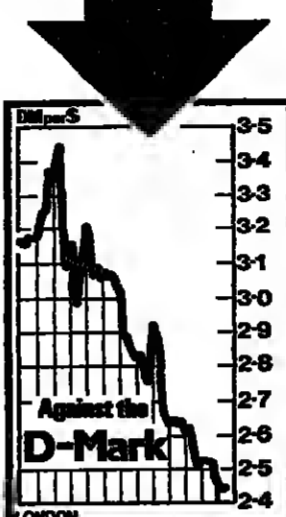
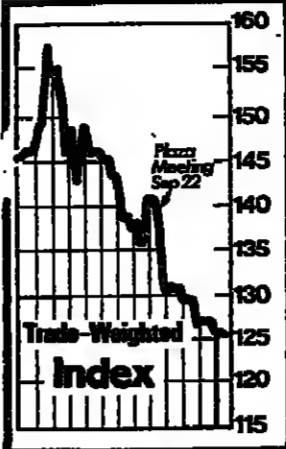
Eviction

By the early 1980s the effects of this were evident around the world. Angola, Ethiopia and Afghanistan did not quite compensate for eviction from Egypt. When Israel invaded Lebanon in 1982 it was item number three on Moscow radio news. The following year Soviet television showed a large picture of the Spanish City of Granada when the US invaded the Caribbean island of Grenada.

The military parity Moscow had achieved with the deployment of ICBMs in the late 1960s was difficult to translate into political power. The almost daily refrain of the old Soviet leadership that they had achieved political parity with the US revealed an inner lack of assurance. It contrasts with the confidence of their successors in the Soviet Union's position as a super power and their right to visible equality with the US in world affairs.

Behind the flurry of visits by foreign leaders to Moscow and Mr Gorbachev and Mr Shevardnadze to foreign capitals lies this new assertion of political parity by the Soviet Union. It also implies a certain shift in the balance of power in the world. The consequences of this may turn out to be as destabilising as the expansion of nuclear arsenals which US and Soviet negotiators in Geneva are seeking to limit.

DOLLAR



Inquiry into Lloyd's

From Mr J. Rew Sir—Unless Mr Brittan's inquiry into Lloyd's headed by Sir Patrick Neill (January 15) has the right members and terms of reference it could just look like a way of avoiding discussion about the market during the passage of the Financial Services Bill.

The inquiry team should not be mainly composed of Lloyd's members or people deriving fees from the market. The terms of reference should be drawn so that they include, among other things, a review of the size and composition of the Lloyd's Council, as well as the roles of all its officers; whether it is desirable to retain the one agent — one class of business rule. This rule restricts every agent's choice of agent and syndicates; and means by which Lloyd's members might enjoy all those rights and remedies available to shareholders.

At least, names should have the right to requisition a meeting of all a syndicate's members at which resolutions could be put and voted on in person or by proxy; such resolutions once passed would bind all members of the syndicate. Matters as diverse as the appointment of auditors, to the fixing of the managing agent's remuneration could be covered in this way.

John Rew, A15 Albany, Piccadilly, W1.

China and GATT

From Mr E. McGovern Sir—Your report (January 13) of China's intention to rejoin the GATT overlooks one consideration which the Chinese take quite seriously. From their point of view although the Nationalist Government was entitled to join the GATT in 1948, by the time of its purported withdrawal in 1950 it was no longer the lawful Government of China, having lost that status with its departure for Taiwan. Consequently in their eyes the present renewal of interest in GATT constitutes a reactivation rather than renewal of membership.

In other circumstances existing GATT members might be prepared to indulge Chinese feelings over what might appear a mere legal technicality. It is possible, however, that such an interpretation would have significant ramifications in US law. Furthermore, the entry of China into the GATT is viewed with considerable doubts by some developed countries, and they will be

Letters to the Editor

determined to ensure that a full entry price is paid. For both these reasons it seems likely that China will be pressed into accepting a proper accession protocol.

Channel links

From the Editor, Freight Guide Sir—Your correspondents' article (January 13) on James Sherwood's bid to build the fixed link across the Channel omits to mention one of the axes in Mr Sherwood's hand.

His thrust last October to close down Sealink operations at Dover should his scheme not be chosen must be particularly worrying to Mrs Thatcher's Government since it was it which sold Sealink to Mr Sherwood.

While the vote-winning capacity of the fixed link is in some doubt anyway, it would certainly be highly embarrassing if a newly-privatised company is forced to make 2,500 of its seamen redundant because it is unable to compete with a scheme backed by the Government which returned it to the private sector in the first place.

Home improvement grants

From the Financial Director, Glast Sir—The letter from Andrew Warren (January 13) is correct as far as it goes, but it understates the problem. The greatest example of the Government's lack of commitment to energy conservation was exhibited in the 1984 Budget when VAT was imposed on home improvements with little regard to the consequences. The most notable casualty was the double glazing market, where vast potential lies for energy saving,

particularly with the recent changes in window technology which have improved the thermal effectiveness significantly.

Rather than rhetoric, a more meaningful indication of the Government's commitment would be positive incentives to householders of the sort that the Irish Government has proved will work. Until such campaigns as conservation of energy are backed up by hard cash, the rhetoric of "save it" will simply be met by a double glazed look from the electorate.

Discriminating support

From the Director-General, Electronic Components Industry Federation Sir—Underlying everything almost in your survey on investing in Britain (January 8) is the unspoken assumption that all inward investment is a Good Thing, justifying every sort of Government support.

This federation of course does not object to foreign newcomers setting up here, with their own money, nor to inward investors receiving "automatic" government assistance (such as regional development grants) which is equally available to companies already operating here. And we accept that where important technology not otherwise available is involved, or established companies are unable or unwilling to meet an important market demand, Government support of investment by incoming foreign companies may well be in the national interest.

But where selective assistance is given to an inward investor to set up manufacture of products which could equally well be supplied by established manufacturers, then there is a strong prima facie case that the displacement effect on existing firms and jobs will equal or exceed the benefits of the new investment, and therefore no overall national economic benefit will result from subsidisation with taxpayers' money which could have been beneficially applied elsewhere.

Keep Sunday special

From the Deputy Director, National Consumer Council Sir—Your report (January 10) quotes the "Keep Sunday special" campaign as saying "there are a number of feasible and enforceable ways to maintain regulations on Sunday trading."

What it actually proposes is a system of draconian fines which would be levied either on each illegal transaction or on weekly turnover. The maximum fine at present is £1,000, so a shopkeeper who stayed open a quarter of an hour extra to serve three customers spending a pound each could face fines of £3,000. A store selling forbidden items to 20 customers could be fined £20,000. Such penalties can lead to bankruptcies and job losses. The DIY retailers' federation makes the point very strongly that Sunday trading, once lost, cannot always be recouped at other times of the week.

Your report also quotes Dr Schuler as saying that the campaign to reform shop hours is promoted by "a group of just half a dozen multiple retailers who expect to gain most out of deregulation." This is what Winston Churchill would have called a terminological inexactitude. The campaign to get rid of our ridiculous restrictions on shops' freedom to open was mounted for many years largely by consumer organisations.

And why? Because we know from opinion poll after opinion poll that this is what most people want.

"Keep Sunday special" is careful not to mention the experience of Scotland, where shops have for many years been free to open on Sundays. There has been no evidence of higher prices, no extra burden on the rates, and no bad effect on the traditional day of rest. By all means, let's keep Sunday special. But not specially ridiculous. Justice Healy, 18 Queen Anne's Gate, SW1.

PLESSEY HOTLINE PLESSEY H

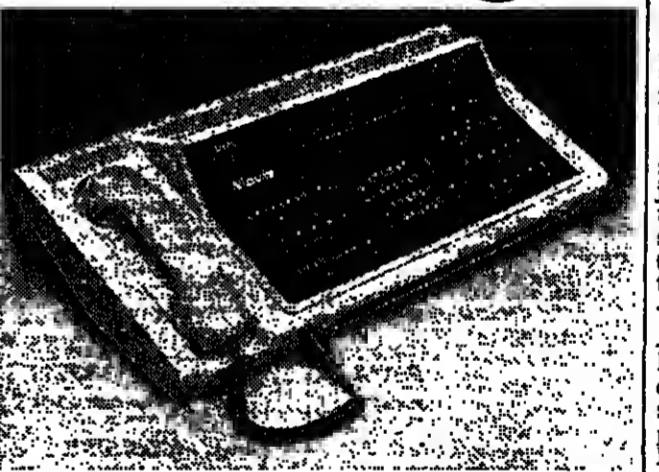
Plessey in 'buy-British' Japanese breakthrough

By clinching a high-technology deal with Nitsuko — one of Japan's leading telecommunications equipment suppliers — Plessey has scored another major success for Britain's export drive.

Under a new agreement, Plessey will supply the CDSS modern office switchboard (marketed in the UK as the Monarch) to Nitsuko for sale in the Japanese home market.

Says Plessey Network and Office Systems chief executive, Ian Maclean: "Selling CDSS in Japan is a tremendous breakthrough for British technology. The CDSS system which we make in Beeston has already been sold to 30 countries, and this latest success confirms its world-class rating."

Nitsuko have stated that they chose the Plessey CDSS because it gave them an excellent opportunity to present their Japanese customers with a world-proven high technology system. They had every confidence the CDSS would sell well in Japan — one of the



The Plessey CDSS for Japan

largest and most competitive markets anywhere.

FIRST FOR BRITAIN

This breakthrough in Japan by Plessey marks the first occasion a British digital switching system has been approved for sale there. It involved gaining vital type approval from Nippon Telephone and Telegraph (NTT) — the

Japanese posts, telephone and telegraph administration. Plessey has manufactured more digital telephone systems for business than any other British company and is accustomed to making intricate but essential changes to its products for different markets.

So, naturally, the CDSS for Nitsuko has Japanese characters on its console.

Peking awards Plessey the green light

Plessey has just signed a contract with the Beijing Foreign Trade Corporation for an urban traffic control system for the east district of Beijing (Peking).

The contract is a pilot system to upgrade 39 traffic junctions with the unique, traffic-responsive control strategy known as SCOOT (Split Cycle Offset Optimisation Technique).

TRAINING INCLUDED

Plessey will supply, install and commission hardware and software for the two-year project, as well as training Beijing's traffic engineers.

The system will comprise 39 Plessey Type 200 intersection controllers, some 250 detectors, and sophisticated computer management, with operator peripherals and wallmap displays.

In the UK, Plessey installed more computer-controlled road traffic systems in 1985 than any other company. Its Beijing SCOOT contract — the first outside a British territory — will recognise that apart from increasing motor traffic, five million bicycles use the Chinese capital's streets.

Plessey leads chip growth in Europe

With its microchips, Plessey achieved greater sales percentage growth in Europe in 1985 than any other manufacturer in the world. According to Dataquest — the independent specialists in electronics market research — Plessey's integrated circuit sales increased by 28.89%. The next fastest growing manufacturer was Fujitsu, whose European revenue was up by 22%, followed by Thomson, Signetics and I.T.T. Plessey estimates that a fifth of its microchips are sold to its own companies for application in Plessey systems. The other 80% competes successfully in more than fifteen countries.

Watchman radar systems for China and Oman

Plessey has now been awarded two further significant contracts for its Watchman radar system against international competition.

It will supply the Sultan of Oman's Air Force, and also the Xiamen International Airport in Fujian Province, China. In addition to Watchman radar and Watchman display systems, both orders incorporate Corsor secondary surveillance radar.

UNIQUE IN ITS CLASS In air traffic control, Plessey Watchman radar is unique in its class. It's the first radar to feature a travelling wave tube transmitter, which, when combined with Plessey adaptive moving target detection signal processing and advanced pulse compression techniques, ensures consistent



Plessey Watchman radar

and reliable detection of the smallest targets, even in the most adverse weather.

This high performance in conditions such as heavy rain is particularly important at Xiamen — which is in an area subject to typhoons.

For both contracts, data will be presented on Watchman display consoles which each have a dedicated computer to provide opti-

imum system availability and operational flexibility. As well as these contract successes in China and Oman — and in other foreign markets — Plessey Watchman has already been selected by the Royal Air Force as the replacement radar at all its airfields.



BURMATEX
CONTRACT
CARPET TILES

COMMITMENT
That's BTR

TREASURY SCHEME TO CUT DEFENCE EXPENDITURE AND SPEED UP ASSET SALES

UK spending squeeze planned

By Philip Stephens, Economics Correspondent, in London

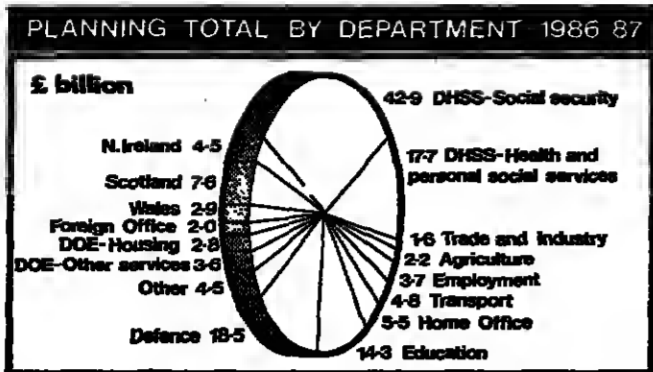
THE BRITISH Government yesterday confirmed its plans for deep cuts in defence expenditure, a squeeze on social security outlays and an accelerated programme of assets sales in order to hold public spending roughly constant in real terms until 1988-89.

The plans, published in the Treasury's annual Public Spending White Paper (policy document) envisage that inflation-adjusted spending by central and local government in the current financial year will show the first fall since the Government took office.

From now until 1988-89, outlays are projected to rise more or less with price increases, although if asset sales are excluded from the calculations there is a small real increase.

Introducing the plans at a press conference yesterday, Mr John MacGregor, chief secretary to the Treasury, said he was confident that spending in 1985-86 would not overshoot its £134.2bn (£193.3bn) target.

The projections for the next three years, he added, were entirely realistic and he emphasised the progress that the Government had made in improving efficiency to secure better value for money. "This gives good grounds for thinking



that actual spending will be contained within the levels now planned," he said.

The spending plans drew fierce criticism, however, from Mr Roy Hattersley, the Labour Party's shadow Chancellor of the Exchequer. He said they showed "callous disregard for the unemployed" and "willful neglect of Britain's future."

Mr Hattersley said that envisaged cuts in capital spending over the next three years showed that calls from both industry and trade unions for more investment in infrastructure had been "arrogantly dismissed."

under official accounting conventions are regarded as negative spending rather than revenues.

The £138.1bn official spending total which the white paper confirms for 1986-87 represents no change in real terms from the current year if inflation turns out at 4.5 per cent as the Government expects.

Actual spending, however, might be more than 1 per cent higher in real terms because this year's figures have been distorted by the after-effects of the miners' strike and next year's will be depressed by higher asset sales.

The detailed spending figures show that defence, which up to now had been shielded from the spending axe, will find its budget cut by 6.8 per cent over the three-year period to 1988-89.

In the social services sector only the National Health Service (NHS) has been exempted from real cuts over the next three years. Charges for items such as prescriptions, spectacles and dental care are likely to rise by more than inflation.

NHS spending is scheduled to rise by 2 per cent in real terms next year and by 1.3 and 1.2 per cent respectively over the following two

Details, Pages 10, 11; Editorial comment, Page 16

Lloyd's accused of pushing up US premiums

By John Moore in London and William Hall in New York

LLOYD's of London is playing a "funny money" game in the US insurance market, Mr Ralph Nader, the US consumer rights crusader, said in London yesterday.

In an extensive attack on the Lloyd's market, which stunned Lloyd's officials by its ferocity, Mr Nader said Lloyd's was deliberately pushing up insurance premiums in the US and manipulating the US insurance market.

"What we are seeing is a funny-money game," he said. "It is illustrated by the unwritten motto of Lloyd's underwriters that 'there is no such thing as a bad risk - there is only a bad rate.'"

Mr Nader was in London with Mr Robert Hunter, president of the US-based National Insurance Consumer Organisation (Nico). He said actions by Lloyd's in the US were arbitrarily driving insurance prices to excessive levels "and eliminating coverage of risks in an attempt to reduce the rights of insured people to sue manufacturers and other negligent defendants to the lowest Western European common denominator."

That was "highly provocative and highly insulting" to the US.

Nico wants to see greater regulation of Lloyd's and other foreign reinsurance companies, the groups that accept the risks insurance companies cannot carry on their own. It wants an independent insurance market in the US.

Mr Hunter said Lloyd's was largely responsible for the current crisis in the US insurance market, which had forced up premiums so much that many companies were being forced out of business and people were increasingly finding it difficult to get accident cover.

Mr Nader said Lloyd's was heavily handed in its dealings in the US. "What we are seeing is extrajurisdictional imperialism in the US, which is offensive beyond the power of words to describe."

Nico has already filed a complaint with the US Justice Department over dealings by Lloyd's and had been told that the situation was being examined. Mr Nader said he would be passing over documents and holding discussions with the British opposition Labour Party's trade spokesman. The initiative might become a political issue in the UK.

Lloyd's retaliated at the allegations last night. Officials said the Federal Trade Commission had confirmed that Lloyd's was not being investigated.

The dispute between Lloyd's and the consumer organisation has been provoked by recent dramatic rises in insurance premiums.

All insurers, including Lloyd's, have been facing large claims on liability business, which provides cover to companies against the financial consequences of legal action by employees, and damages arising from legal action because of defective products.

In the US yesterday, Mr Murray Lawrence, deputy chairman of Lloyd's, said it had no intention of boycotting US business. Insurance business from the US accounts for around 70 per cent of Lloyd's total premium income of £3bn.

Underwriters were struggling long and hard on liability business to quote terms that would give their clients something they could live with and at the same time allow them to justify their decision to continue writing such business, which in recent years had produced heavy losses, he said.

Bonn minister fuels interest rate hopes

Continued from Page 1

Mr Younger, who has been in office for a week, is endeavouring to adopt a low profile over the specific issues which last week provoked the dramatic resignation of Mr Michael Heseltine, his predecessor.

The West German Government has also explicitly rejected an interest rate pact. One senior official described it last week and a "complete non-starter".

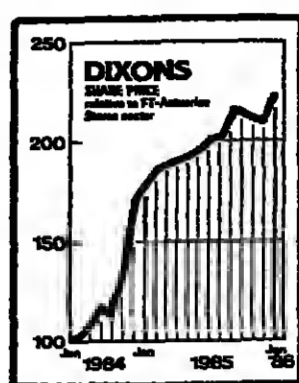
The European officials, however, acknowledged that any specific US proposals would have to be carefully considered. Britain, which has found its financial markets buffeted by falling oil prices and was last week forced to raise interest rates, might also want to benefit from the psychological impact on financial markets of such discussions.

Mr Bangemann's statement yesterday sent share and bond prices sharply upwards in London.

THE LEX COLUMN

Fast forward for Dixons

Yesterday's statement on international rates by the West German Economics Minister was in the best tradition of public arm-twisting. Even if the US Administration really is committed to bringing down dollar rates, as Mr Bangemann suggests, there is no evidence that this enthusiasm is shared by Mr Paul Volcker. And it is still the Federal Reserve Board that wears the monetary trousers.



Only the grumpiest bear of oil prices and interest rates could fail to warm to profits growth in retailing of 140 per cent; but Dixons' quite astonishing set of interim figures, showing earnings growth of 43 per cent on £3m of pre-tax profit for a half-year that did not include Christmas sales, gained rather modest reward for beating even the most sanguine expectations. The share price, up over 30p at one stage, fell back to close 23p up at 918p. It is, at least, pleasing symmetry that the three-for-one scrip re-establishes the Dixons price at the exact level from which it launched its bid for Currys 15 months ago.

The dramatic re-rating of Dixons in the course of the bid arose from the belief that one of the ablest managements in UK retailing could work magic for Currys. What was not clear then was the extent to which Currys' relative weaknesses - in financial and property management, marketing, opportunity buying and design - corresponded exactly to Dixons' strengths. And what is only just now emerging is that parallel retailing, in the sense clear to the clothing theorists of the Burton kidney, has even greater potential in the highly fragmented electrical market where Dixons' chief opposition was, in effect, Currys.

But until Dixons produces statements less Garbo-like in their reticence, one can only assume that the two chains' target customers really are separate; and that the volume growth, at 15 per cent for Dixons and 22 per cent for Currys, is billowing out of the shops on higher gross and net margins all round. Clearly there has been substantial gross margin improvement in Currys' brown goods through the introduction of Matsui - Dixons has a nice line in *japanaiserie* for its own-label goods; but the real revolution will come a year from now when re-

styling of the Currys' shops starts raising sales densities to the level of Dixons Retail.

The paying down of the debt associated with the bid, itself an outstanding achievement, should see net gearing down to 20 per cent by the year-end; more pertinently, it should permit pre-tax profits for a year of comfortably over £70m after an excellent Christmas. That a business growing its earnings nearly four times faster than the market should enjoy a premium rating of only five points probably owes more to market vertigo than common sense; and little better than a market multiple for the year to spring 1987 is rather implausibly assuming that consumer spending will fall apart just before a general election.

Trusthouse Forte

Trusthouse Forte treats shareholders in much the same way as it handles hotel guests. Surprises, nice or nasty, are to be avoided at all costs and customer satisfaction is ensured by regular increases in assets, earnings and dividends. Yesterday's results for the year to October, showing a 19 per cent increase in pre-tax profits to £129.6m, were as wholesome as a THF steak. What they lacked was any real excitement and the market, having digested the solid fare on offer, left the shares unchanged at 152p.

A strong improvement in THF's UK hotel division was only to be expected, given the rise in occupancy rates across the industry, and THF has done better than most at extracting higher margins. While the volume growth will be nothing like so spectacular this year, the group has plenty of scope to push up re-

being gradually extended through the development of the Post House chain and the introduction of Little Chef Lodges. European hotels have rewarded heavy investment with a 64 per cent improvement in sterling profits, leaving the US hotel operation as the only laggard. THF is still too small in the US to enjoy economies of scale and generate brand loyalty, making North America the obvious area for aggressive growth. A sizable acquisition would at least add an exciting ingredient to the THF share price which, assuming all-in pre-tax profits of £145m this year, looks correctly valued on a prospective multiple of just over 14 times.

Westland

The City's regulators can scarcely be blamed for taking a judiciously low profile with regard to the odd goings-on in Westland equity. The evidence from the West end of town is that anyone who comes into close proximity with the helicopter company stands to have his hat sliced off by a flying rotor blade. And, as far as can be judged, no one has yet contravened the letter of either the Takeover Code or the Companies Act.

The recent share dealing in Westland is, however, unsatisfactory in several respects. The obligations of an institutional shareholder have always been stronger in the case of a reconstruction than in the event of a takeover, admittedly for the compelling reason that the alternative to co-operation is receivership. Yet those obligations continued to apply even in the case of Dunlop; shareholders for the most part backed the incumbent management until their board was able to reach agreement with BTR. Westland has now changed all that and, while the institutions need not feel guilty about selling their investment for far more than it is worth, the precedent is not a healthy one.

Nor is it desirable that the beneficial ownership of a substantial stake in the company should remain a mystery until after the extraordinary meeting which is supposed to determine the company's future. The identity of Mr X, must, when revealed, have a bearing on the whole Westland story. To that extent, it is a material fact and should be disclosed.

Military surrounds Lesotho Government headquarters

By Anthony Robinson in Johannesburg

TROOPS AND armoured cars of the Lesotho para-military force yesterday surrounded the government offices housing Prime Minister Chief Leabua Jonathan and other ministers. Reports of a coup to topple the Government, however, were denied by Mr Desmond Sidshe, the Foreign Minister.

Witnesses in Maseru, the capital, said a convoy of 20 military vehicles arrived outside the modern government complex around noon and forced civil servants out of the building but left ministers at their desks.

Correspondents and a Reuters photographer in the capital reported hearing gunfire but the government radio continued with its normal programme and Mr Peter Rosling, the British High Commissioner, while confirming the presence of armed troops around the government complex, said that otherwise the capital "was absolutely quiet and normal."

The latest developments in Maseru follow two weeks of sustained pressure on the capital by the South African authorities, who on January 1 instituted tight border controls on all traffic entering and leaving the country.

Lesotho, a small, mountainous kingdom of 1.4m inhabitants, is totally surrounded by South Africa and the Transkei homeland. It depends upon South Africa for all its electricity, while all supplies and exports pass through South African territory, including oil, which is shipped in by rail, and other essentials.

Its main source of income is the reprinted earnings of the 130,000 emigrant mineworkers employed on South African mines and the many other workers employed legally and illegally in the republic.

Telephone communications with Lesotho were reported to be "out of order" by the South African telecommunications authority.

South African pressure on Lesotho is aimed at forcing the Government to accept a security treaty, similar to those with Mozambique and Swaziland, that would effectively prevent the African National Congress (ANC) from using its territory as a transit route or haven. This week it bowed to South African pressure and agreed to extend the existing liaison committee between the two countries and participate in a special security sub-committee.

Talks between the two sides are expected to take place shortly aimed at fleshing out the agreement and removal of the blockade, which has led to queues over 2 km long on the main approach roads and a severe shortage of oil, medicines, food and other essentials.

Sir Patrick Moberly, the British Ambassador to South Africa, yesterday met Mr Ron Miller, the Deputy Foreign Minister, in Cape



Town to call for a lifting of the blockade and dialogue between the two sides. This was in response to an appeal by Chief Jonathan to the British and US governments.

Relations between Pretoria and Maseru have been tense for months and reached a low point on December 19 when a commando force crossed the border and killed five South African refugees, of whom five were members of the ANC, and three Lesotho citizens.

South Africa has denied responsibility. Court backs miners' rights, Page 3

Gorbachev in move to extend N-test freeze

THE SOVIET UNION yesterday extended its freeze on nuclear tests by three months and produced a 15-year timetable for the complete elimination of nuclear weapons, writes Patrick Cockburn in Moscow.

Mr Mikhail Gorbachev, the Soviet leader, in a statement timed to coincide with the reopening of the Geneva disarmament negotiations with the US, today proposed "a step-by-step and consistent process of ridding the earth of nuclear weapons."

Mr Gorbachev said he hoped to "break the dangerous trend whereby the momentum of the arms race is greater than the process of negotiations."

In Washington, President Ronald Reagan welcomed Mr Gorbachev's proposals and said they would be studied closely by the US and its allies.

The Soviet Union introduced a unilateral ban on Soviet nuclear weapons tests for six months last July which expired at the beginning of the year. President Ronald Reagan has consistently refused to join the nuclear test ban.

Mr Gorbachev said that the Soviet test ban could be further extended if the US joined in.

The Soviet plan for the elimination of nuclear weapons consists of three stages. In the first five to eight years the number of nuclear weapons capable of reaching each

other's territory will be halved so that both the US and the Soviet Union will be reduced to 6,000 nuclear warheads.

This would be followed by a second five to seven-year stage from 1990 during which the US and the USSR would eliminate all tactical nuclear weapons with a range of up to 1,000 km. In the final stage between 1995 and 1999 all remaining nuclear powers would have begun to reduce their nuclear arsenals and the US would have abandoned President Reagan's Strategic Defence Initiative (star wars).

In his statement Mr Gorbachev warned that such a limitation was only possible if "the US mutually renounce the development, testing and deployment of space strike weapons." This, agreed the superpowers, would proceed to the elimination of all intermediate-range missiles, both ballistic and cruise, in Europe, Britain and France would agree not to increase their nuclear armaments.

By 1999 all nuclear weapons would be eliminated and verification that they were no longer deployed would be carried out by on-site technical teams, Mr Gorbachev said.

The Soviet proposal is consistent with the policy of Mr Gorbachev since he became leader of the Soviet Union last year.

The three-month extension of the test ban is new

Heseltine says London tried to 'silence' Rome

Continued from Page 1

Sir Geoffrey Howe, the Foreign Secretary, to the British ambassador in Rome asking him to tell Prime Minister Bettino Craxi that Westland was a private company and that it was for shareholders to decide on the relative merits of the proposals. That followed Prime Minister Craxi's public support for the European consortium on the previous day.

Mr Heseltine further alleged that on December 23 a Downing Street official had tried to stop a broadcast by himself on a BBC radio programme. He said that he had agreed to broadcast only after he had learnt that Mr Brittan had done so despite the Cabinet's agreement the previous Thursday that there was to be no public statements.

On several crucial points Mr Heseltine's version directly contradicted that of Mrs Thatcher, in particular over a series of meetings in December. Mrs Thatcher had defended her record in the affair, arguing that allegations that the Government had not discussed the issues in sufficient depth or in a timely way were absurd. She listed nine separate occasions when there were collective discussions and said ministers had been given ample opportunity to express their views.

Mrs Thatcher said the Government's approach throughout had been guided by the decision that no national-interest considerations existed to require the mounting of a public sector rescue bid and therefore a solution could not be dictated to the company's directors and shareholders.

Fed bank risk plan

Continued from Page 1

ly covered by the across-the-board bank capital requirements. Many banks, facing increased competition and thin margins on their traditional lending activities, have turned to these other businesses to boost profits.

According to some estimates, the issuance of bank standby letters of credit - guarantees that a bank customer will fulfil a contract - by the nation's 100 largest banking groups increased by 25 per cent in 1984. Because of this, most bank analysts have predicted that all the leading money centre banks could be forced to add to capital under off-balance-

sheet risks into a capital adequacy formula.

The regulators' concern has also been heightened by the deterioration in the quality of many banks' loan portfolios, evidenced by soaring loan write-offs and the substantial increase in bank non-performing, or problem, loans, which has only just begun to subside.

In order to meet the existing 6 per cent capital requirement, imposed only last year, and in anticipation of the latest proposed changes, many of the leading US banks have been adding aggressively to their loan loss reserves

World Weather		World Weather		World Weather		World Weather	
Area	Temp	Area	Temp	Area	Temp	Area	Temp
Africa	12-18	Asia	10-16	Europe	8-14	North Am	10-16
Algeria	12-18	Australia	10-16	Austria	8-14	Canada	10-16
Argentina	12-18	Brazil	10-16	Belgium	8-14	USA	10-16
Asia	10-16	Canada	10-16	Canada	10-16	USA	10-16
Bahamas	12-18	Chile	10-16	Canada	10-16	USA	10-16
Bahrain	12-18	China	10-16	Canada	10-16	USA	10-16
Bangladesh	12-18	France	8-14	Canada	10-16	USA	10-16
Barbados	12-18	Germany	8-14	Canada	10-16	USA	10-16
Belize	12-18	Greece	8-14	Canada	10-16	USA	10-16
Bermuda	12-18	India	10-16	Canada	10-16	USA	10-16
Bhutan	12-18	Indonesia	10-16	Canada	10-16	USA	10-16
Bolivia	12-18	Italy	8-14	Canada	10-16	USA	10-16
Brazil	10-16	Japan	10-16	Canada	10-16	USA	10-16
Bulgaria	10-16	Kenya	10-16	Canada	10-16	USA	10-16
Burkina Faso	10-16	Madagascar	10-16	Canada	10-16	USA	10-16
Burundi	10-16	Malawi	10-16	Canada	10-16	USA	10-16
Cambodia	10-16	Mali	10-16	Canada	10-16	USA	10-16
Cameroon	10-16	Mexico	10-16	Canada	10-16	USA	10-16
Canada	10-16	Mozambique	10-16	Canada	10-16	USA	10-16
Chad	10-16	Nepal	10-16	Canada	10-16	USA	10-16
Chile	10-16	Netherlands	8-14	Canada	10-16	USA	10-16
China	10-16	New Zealand	10-16	Canada	10-16	USA	10-16
Colombia	10-16	Nigeria	10-16	Canada	10-16	USA	10-16
Costa Rica	10-16	Poland	8-14	Canada	10-16	USA	10-16
Cuba	10-16	Portugal	8-14	Canada	10-16	USA	10-16
Cyprus	10-16	Romania	8-14	Canada	10-16	USA	10-16
Dominican Rep	10-16	Russia	10-16	Canada	10-16	USA	10-16
Dominica	10-16	South Africa	10-16	Canada	10-16	USA	10-16
DRC	10-16	Spain	8-14	Canada	10-16	USA	10-16
Ecuador	10-16	Sweden	8-14	Canada	10-16	USA	10-16
Egypt	10-16	Switzerland	8-14	Canada	10-16	USA	10-16
El Salvador	10-16	Taiwan	10-16	Canada	10-16	USA	10-16
Equatorial Guinea	10-16	Thailand	10-16	Canada	10-16	USA	10-16
Eritrea	10-16	Tanzania	10-16	Canada	10-16	USA	10-16
Estonia	10-16	Togo	10-16	Canada	10-16	USA	10-16
Ethiopia	10-16	Turkey	8-14	Canada	10-16	USA	10-16
Finland	10-16</						

JOBS COLUMN

Why executive demand boom may be finished

BY MICHAEL DIXON

International Fund Manager Highly Competitive Package

We are acting on behalf of the investment banking arm of one of the world's major banks.

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In the first instance, please contact Anna Robson at the Investment Division, 39-41 Parker Street, London WC2B 5LH. Telephone 01-404 5751. Strictest confidentiality is assured.



Michael Page City International Recruitment Consultants London Brussels New York Sydney A member of the Addison Page PLC group

IF BRITAIN'S Government did not have certain other worries at the moment, I dare say it might feel uneasy about the figures in the table alongside. They show how the United Kingdom executive-employment market has moved over the past five years, as measured by the Hay-MSL consultancy's quarterly counts of senior jobs advertised in leading British journals.

Reading down from the top the table shows, for each year, how many posts were advertised for each of eight broad groups of staff and by what percentage demand for them was up or down by comparison with the year before. The groups are research, design and development; marketing and sales; production; accounting and finance; computing; general management; personnel; and the catch-all category "others". It includes all senior staff not fitting the previous seven descriptions, such as buyers, company lawyers, economists and assorted internal consultants.

Sandwiched between the thin rays about two-thirds of the way down the table, we have each year's total covering all types of managers and key specialists. The four lines at the bottom show the number of posts advertised and changes in demand for each of the quarterly periods January to March, April to June, July to September, and October to December.

Table with 5 columns: Type of work, 1985, 1984, 1983, 1982, 1981. Rows include R & D, Marketing, Production, Accounting, Computing, General mgt, Personnel, Others, and Total.

The trouble is that the more detailed figures for 1985 suggest that the boom at the top end of the British employment market may at last be over.

One such gloomy sign lies in the quarterly counts at the bottom of the table. It was in the June to September period of 1981 that the advertised demand changed from decline to improvement, and it kept on improving every quarter for the next four years. With the coming of June last year, however, the market suddenly turned down again.

Another gloomy sign is the drop between 1984 and 1985 in the market for high-grade people in research, design and development, and in sales and marketing. Rises and falls in demand for those kinds of staff are believed by many people to be lead indicators of the climate for industry in general.

What is more, Hay-MSL's Oastler Michie, who has had a leading part in the counting exercise since it started, says there is yet more evidence that the UK executive employment market is headed for a fairly lengthy decline. "Over the past decade the average drop in the demand between the first quarter of the year and October-December has been about 7 per cent. The fall between the two periods last year was no less than 26 per cent. On the evidence of the

graphs we have been keeping for the past quarter century, it seems pretty clear that we are into another downward cycle. So although I'd very much like to believe otherwise I've little doubt that job prospects for executives are going to get worse over the next couple of years or more."

Perhaps the most disturbing sign for Mrs Thatcher and her Cabinet colleagues is the trend in executive recruitment in high-technology industry.

In the last quarter of 1983, Mr Michie says, the number of senior jobs advertised in the UK by high-tech companies was 2,550. In October-December 1984 the number was down to 2,038. During the final three months of last year it plummeted to only 775. "It looks as though what the Government was looking on as the front runner of industrial recovery may be turning out to be the Trojan Horse," he adds.

Fortunately, the signs are less discouraging in the other three industries which the consultancy now keeps track of—energy, retailing, and food, drink and tobacco.

Top jobs advertised by energy companies numbered 830 in October-December 1983, 957 in the corresponding quarter of 1984 and 920 in the closing period of last year. The equivalent figures for retailing were 180, 205 and 265, and

for food, drink and tobacco 239, 233 and 244.

Any reader determined to look on the bright side may also be pleased to know that Hay-MSL was similarly predicting the onset of a lengthy decline in demand for executive types at the beginning of 1985—which in the end, of course, proved to be the best year ever. If the market bucked what the consultancy saw as an inescapable downward trend then, it may be that it will do it again.

Determined optimists might additionally hope that any continuing fall in advertised demand might be outweighed by an increase in recruitment by the personal-approach methods of executive search. After all, the Hay-MSL count does not cover the activities of searchers, and those I have met recently have forecast improving business. On the other hand, just as one never comes across a farmer who is doing well, one never seems to encounter a search consultant who is doing badly.

The Jobs Column, for its part, is as ever inclined to take the optimistic view. But I have little doubt that the decisive time is now upon us. Unless the advertised demand makes a big leap upwards in the first quarter of this year as it did in 1985, the high probability is that Hay-MSL's gloomy predictions will at last turn out to be justified.

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HONG KONG

Director Marketing

£70-£100,000

Asset-Finance

Package

On behalf of a leading UK Merchant Bank, we seek a highly professional Graduate Banker, (M.B.A., A.C.A., or LL.B. preferred), aged 30-36 years, whose extensive involvement in negotiating high value leasing transactions at senior level has resulted from first class innovative tax efficient pricing and structuring skills. The ability to identify business opportunities, and the technical creativity to formulate individual financial packages of a highly complex nature, will identify the successful candidate. The salary indicated is designed to attract exceptional expertise.

Head of Sales Aid / Vendor Programmes (Start-Up)

Neg £40-£70,000

Package

A leading UK Merchant Bank seeks from applications highly motivated individuals who can clearly demonstrate an exceptional track record in this specialised and competitive field. The appointed candidate will assume total responsibility for the development and management of this area—including new business development, systems administration, etc., with the support of an in-house accounting/administrative team. Age range about 35 years.

Vice President— Lease Marketing

Neg £30-£40,000

+ Benefits

We seek a US Credit trained Graduate Banker, aged 28-36 years, well versed in the pricing and structuring of UK asset finance transactions in the £1M-£10M price range. A knowledge of Sales Aid/MSP/Vendor Programmes would prove a distinct advantage.

For the above 3 vacancies please contact Brian Gooch or Jill Backhouse.

Corporate Finance

To £50,000 + Bonus

We have been requested by a number of Major Merchant Banks to assist in the recruitment of experienced UK Domestic Corporate Finance specialists, to join their expanding, highly successful departments at Manager/Assistant Director level. Candidates are likely to be aged 25-32 years, and will have a minimum of 2 years relevant experience gained within a reputable House.

International Equities

To £40,000

The expansion of the International Equities operations of those Merchant Banks which are integrating with Brokers and Market Makers, has provided a requirement for experienced research, sales and jobbing staff, covering all Overseas markets. We shall be pleased to hear from appropriate applicants.

Unit Trust Marketing

£30,000

On behalf of two Clients we are seeking experienced Managers to take responsibility for marketing specialised Unit Trust products. Candidates should possess a significant knowledge of the professional intermediary market.

For the above 3 vacancies please contact Mark Forrester

Portfolio Manager

c.£30,000

A Major International Investment Bank wishes to appoint an additional Investment Manager. Applicants will have a sound background in equity research, and match the dynamic and innovative character of the existing team. Particular expertise is required in the management of European and UK equities and Eurobond portfolio's. This is a first class career development opportunity.

For the above vacancy please contact Roger Steare or Bryan Sales.

Tel: 01-623 1266

Head of European Operations

Major International Bank
City based
c£50,000 + benefits

Due to promotion, an opening now exists within the European Headquarters of a major International Bank for a Head of Operations.

The role will be wide ranging covering overall supervision and co-ordination of back office support, including financial control. In addition the appointment carries responsibility for the development and application of computer systems and hardware, ensuring that these are properly driven for business needs and compatible with other parts of the group.

As part of the top management team, the critical area of experience which will distinguish the outstanding candidate will be a sound understanding of international banking activities. Career prospects are excellent for those not only with the necessary expertise to undertake this important role, but also with flexibility and commitment to contribute to this challenging environment. Compensation will not be a limiting factor for the right candidate.

As advisors to our client, we will fully respect the confidentiality of any initial approach from those interested in discussing this further.

Alternatively, please write with a full CV quoting reference MCS/6065 to Alannah Hunt, Executive Selection Division, Price Waterhouse Management Consultants, Southbank Towers, 32 London Bridge Street, London SE1 9SY

Price Waterhouse



SYSTEMS LIAISON MANAGERS

c£22,000

INTERNATIONAL BANKING

Standard Chartered is one of Britain's major international banks, with gross assets exceeding £28,000 million and more than 2000 offices in over 60 countries.

We wish to recruit two Systems Liaison Managers to join diverse areas of our Organisation, namely International Banking Division and Africa Department, London.

These new posts will be responsible for the strategic planning of business applications systems within the relevant area and for co-ordinating their development with our Technical Services Division. The jobs will include giving advice and guidance to line management on matters related to systems and technology.

The ideal candidates will be aged 30-35 years, will have a programming/systems analysis background gained, preferably, in an international

banking environment, and proven ability in leading teams on specific computer projects. Experience of mainframe computer configurations, preferably IBM, is essential for the post within International Banking Division; experience of working with large systems teams and installing business systems in overseas areas is essential for the Africa Department post. Applicants for this latter post must be willing to travel overseas on trips of short duration. A general banking background is highly desirable for both posts.

Remuneration will be c£22,000 plus the usual generous banking benefits. Good prospects for future development exist for the right candidates.

Please apply, with a comprehensive c.v., to Jean Collins, Assistant Manager, U.K. Personnel Services, Standard Chartered Bank, 38 Bishopsgate, London EC3N 4BE.

Standard Chartered

REGIONAL CREDIT MANAGER

North West Regional Office
Liverpool Negotiable to £20,000

Girobank is continuing to increase the range of services it offers business customers and one important recent development has been the opening of Regional Offices to establish the bank on a more localised basis with the objective of attracting new business within the areas served by the Regional Offices. The bank has a commercial lending function but is seeking to extend lending facilities through its Regional Offices and wishes to strengthen its managerial expertise in this field by appointing a Regional Credit Manager dealing with corporate business in Liverpool.

Reporting to the Regional General Manager but with a functional responsibility to the Commercial Lending Manager, the Regional Credit Manager will be responsible for all aspects of credit analysis and lending facilities in the region and will provide professional advice on all commercial credit matters.

The manager appointed will have several years bank/lending experience together with a full knowledge of all aspects of credit analysis, lending operations, securities and legal requirements.

He/she will also have good inter-personal and negotiating skills and possess a professional qualification in banking.

Conditions include a contributory, index-linked pension scheme, 5 1/2 weeks annual holiday and assistance with relocation expenses where necessary.

Please apply in writing outlining career progress and current salary and how you meet the requirements of the position to: Peter J Farrer, Head of Management Development, Girobank plc, Brittle Road, Bootle, Merseyside, G1R 0AA.

NATIONAL Girobank

INTERNATIONAL INTERCHANGE Corp. Agency (UK) Ltd is a rapidly growing, but so. We want experienced (min 2 yrs) sales people to promote a revolutionary financial and trading service. Full training and high monetary rewards for the right people. For 100 applications please see (0990) 2880.

SAVORY MILLN

SAVORY MILLN LIMITED
MEMBERS OF THE STOCK EXCHANGE

Savory Milln will be market makers in a selected list of UK equities during 1986 and we are therefore looking for dealers with relevant experience. Our Company is already "dual capacity" in its international trading and is in a strong position to take advantage of changing market conditions in the build up to "Big Bang".

Our involvement in all major continental European markets is substantial and we now wish to extend our market making activities into UK Equities.

Please contact Hugh Hughes on 01-588 1170 or write to him at 3 London Wall Buildings, London EC2M 5PU.

A member of Arbutnot Savory Milln Holdings Limited

What would Aneurin Bevan say?

This South London Teaching Authority is undergoing fundamental changes and our shift in service priorities has resulted in a range of key objectives being identified to ensure the services provided reflect the needs of the local community.

Our new senior management structure will require individuals with highly developed management and interpersonal skills, from the public or the private sectors, committed to accepting personal responsibility for achieving an effective and efficient health care service. Something Aneurin Bevan would surely approve of.

Head of Corporate Planning c£24,000

Your main role will be to develop corporate planning techniques, policies and information systems to enable the Authority to determine future requirements and plan new services and capital developments. This will involve convincing existing management of the need to re-think priorities for health care provision and the future use of its land and buildings. You will also have overall responsibility for co-ordinating the development of computer services and for the works and estate management functions.

You should be professionally qualified and have gained at least 5 years senior management experience including strategic planning.

Please quote Ref FT/CP1.

Head of Financial Services c£24,000

Main areas of responsibility include maximising the Authority's annual budget of £69m and developing financial policy, information and budgetary systems to ensure effective control of resources. A key task will be the introduction of management budgeting.

An accountancy qualification is essential, together with at least 5 years' broad based experience at senior management level. This experience must have embraced modern financial and management accounting techniques in a multi-disciplinary organisation.

Please quote Ref FT/FS2.

A comprehensive information package is available from Mr J.M. Pollard, Personnel Administrator, Camberwell Health Authority, King's College Hospital, Denmark Hill, London SE5 9RS. Telephone 01-274 6222 extension 2755/2756. Please quote appropriate reference.

Informal enquiries will be welcomed by Mr J.V. Collinson, District General Manager on the above number, extension 2729.

Closing date 7th February 1986.

CAMBERWELL HEALTH AUTHORITY

Financial Planning and Analysis

London to £25,000 + car

Our client is a highly successful, international services company involved in different markets throughout the world. Continued expansion of this £billion turnover organisation has created the need for a perceptive analyst to fulfil a major financial control role. Reporting to the Group Controller, tasks will cover corporate planning, strategic analysis and the financial monitoring of subsidiary performance; this will include financial control and acquisitions. Additional investment and portfolio analysis plus MIS development will also be within the remit. A graduate with an MBA, you must have proven experience of implementing

change, persuasive communication skills, and a decisive, determined approach. Preferably experienced at large company commercial or industrial level, you will probably be in your late 20's to early 30's. The salary will be negotiable from £20,000 for candidates with good experience, to £25,000 for the exceptional candidate. An extensive benefits package includes a company car, BUPA and contributory pension scheme. Interested candidates should write to Andrew Sales FCCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting ref. 296, at 39/41 Parker Street, London WC2B 5LH.

Michael Page Partnership
International Recruitment Consultants
London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Ross PLC group

Head a New Venture

City Based Package c £35k

Our client is a leading British stockbroking firm. It seeks an exceptional individual, probably aged late 30's, to head a new research team and to expand the operation both in the UK and internationally. The rewards package is negotiable.

The new team will utilize a unique approach to investment research based on advanced statistical and computer-based technologies. This will be available both to major institutional clients and in-house. As team head the brief is to develop and direct the analysis and research functions, market research products in the City and elsewhere and to be responsible for overall management and control. This is a key post and reflects a major strategic investment by the firm.

Candidates will be highly-educated, probably possess an MBA and possibly a professional accounting qualification. Experience of financial analysis and appraisal and/or business strategy gained in management consultancy, merchant banking, venture capital or the investment institutions is essential. The appointee will also have situational management skills of a high order. A record of sustained achievement to date is an additional prerequisite. This appointment represents an outstanding opportunity for the able and ambitious.

For full job description write in confidence to Mark Lockett at JC&P Selection Consultants, 104 Marylebone Lane, London W1M 5FU showing clearly how you meet our client's requirements, quoting ref. 9119/FT.

JC&P

John Courtis and Partners

HongkongBank Limited

Corporate Finance

HongkongBank Limited is the European merchant banking arm of the HongkongBank Group. Recent business expansion has created opportunities in our Corporate Finance department.

We invite applications from ambitious graduate chartered accountants, preferably aged 24-28, who would like to make their career in corporate finance.

Salaries will be attractive and the package will include normal merchant banking benefits.

Applications, including full personal and career details, will be treated in strict confidence and should be sent to: C. E. Fiddian-Green, HongkongBank Limited, Wardley House, 7 Devonshire Square, London EC2M 4HN.

Unit Trusts - Major New Launch Marketing Executive City Based to £25,000 basic + bonus + car

Our client is a subsidiary of one of the world's most prestigious banking groups.

This new appointment will principally involve selling to your existing professional intermediary connections, whilst becoming increasingly involved in marketing, advertising and new product development. Your success will assure your progression into management.

Aged between 25 and 35, you must

Lloyd Chapman Associates

have thorough relevant experience and a proven sales track record, probably gained within a major unit trust group and operating in the Home Counties.

The excellent banking benefits package includes a generous mortgage subsidy, non contributory pension, family medical cover, free life assurance, bonus and car.

To apply, please telephone or write to Fiona Law, quoting Ref: 9901.

International Search and Selection
160 New Bond Street, London W1Y 0HR
Telephone: 01-408 1670

CAREER OPPORTUNITY

Quick-thinking exceptional person needed to join the team at the start of a new venture using a well-established successful company as its springboard. Full training and support will be given but you must be essentially a self-starter. Applications are invited from graduates aged 25-30 with a working knowledge of the City.

You should be a good judge of people, have the confidence to project your personality in a marketing role, and highly articulate on paper. This is an opportunity to use your wide-ranging talents and be directly rewarded for your individual contribution.

Please apply with full curriculum vitae and a contact daytime telephone number to Box A0030, Financial Times, 10 Cannon Street, London EC4P 4BY

GERMAN-SPEAKING BANKER?

JONATHAN WREN INTERNATIONAL OFFERS YOU THE CHALLENGE OF BECOMING AN

INTERNATIONAL BANKING RECRUITMENT CONSULTANT

- TRAVEL - MARKETING - BANKING - HIGH INCOME - JOB SATISFACTION -

We are a leading overseas banking recruitment consultancy and have recently established offices in Sydney and Hong Kong with further expansion planned for 1986. Our corporate style encourages a team effort in a friendly, stimulating and professional environment and our clients are among the top-ranking banking institutions in Europe, the Middle and Far East and Australasia.

To complement the development of our global network and to meet the increasing demand for our services, we are seeking to recruit two additional, highly-motivated consultants for our European team based in London who will concentrate on the recruitment of banking executives in German-speaking Europe. We would also be interested to hear from candidates who may not have the required language ability but would like to be considered for similar positions within the Company.

To develop new relationships and maintain our existing ones in Germany, Luxembourg and Switzerland, you must have total command of the German language and an understanding of the

business climate. Ideally aged between 26 and 33, you will have sound marketing abilities and a knowledge of international banking, gained from a minimum 5 years' experience in banking or from a relevant consultancy. Obviously, good communicative and interpersonal skills are also necessary.

This is a unique opportunity to accept the challenges of a fast-moving, demanding rather than conventional career. In addition to an outstanding level of job satisfaction, good prospects and regular overseas travel, you may also anticipate an attractive remuneration package consisting of a base salary plus a generous performance-related bonus - potentially unlimited. On-target earnings average between £20,000 and £30,000 plus car.

Please telephone or write with full career details to: Roy Webb, Managing Director, Jonathan Wren International Limited, 170 Bishopsgate, London, EC2M 4LX. Tel: (01) 623 1266. Telex: 8954673 WRENCO.

London · Sydney · Hong Kong

Jonathan Wren International Ltd
Banking Consultants

Jonathan Wren

CRÉDIT AGRICOLE



Crédit Agricole is a growing force in International Banking. In view of the Bank's expansion in London, applications are requested for the following positions in three Departments.

Credit Analysis / Marketing Support

£13-16,000 (plus benefits)

Self confident, ambitious applicants of Graduate calibre are sought, aged 25-30 years, with a proven track record in Corporate analysis and familiarity with basic banking products.

A good understanding of credit documentation and the necessary skills to write and present reports to relevant levels will be required, allied with a desire for progression to a Marketing role.

Fluency in French would be an added advantage.

Contact Richard Meredith

All applications will be treated in strict confidence.

Jonathan Wren
Recruitment Consultants
170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266

CREDIT CONTROLLER to £25,000+ full banking benefits

Our client is a new company, a subsidiary of a leading American investment bank, that has been established with strong capital backing to operate in the home loans market.

The successful candidate will assume full responsibility for loan book maintenance, credit checking and collections, which will include correspondence and liaison with solicitors, agents and borrowers. He/she will also be expected to produce an accurate and timely management information package and to develop and train a small team of staff.

Candidates (aged 30/45) will be highly experienced and self-motivated professionals with a minimum of five years previous experience and fully conversant with all aspects of consumer credit checking, county court judgements and the law relating to property management. They must also be able to demonstrate a high level of success in their careers to date and well developed interpersonal and management skills.

For further information please write with full C.V. or telephone Martin Krajewski in strictest confidence.

FIRTH ROSS MARTIN ASSOCIATES, WARDGATE HOUSE, 58A LONDON WALL, LONDON EC3M 5TF. TELEPHONE 01-628 2441

Firth Ross Martin

Financial & Professional Selection Consultants

EUROBOND TRADER

This fast growing Merchant Bank, already involved in the FRM, YEN and ECU Markets, seeks a \$ Straight Trades to complement an existing two man team. The successful applicant will have a minimum of one year's relevant experience and have the ability to make a valued contribution what this house becomes a professional Market Maker in the next 6 months. Remuneration is dependent on the ability and potential of the individual but will comprise a basic salary and bonus.

EUROBOND TRADER

A European bank with a small but effective trading presence wish to recruit a Canadian and US Domestic Trader to augment their existing capabilities. They want at least 18 months trading experience in these products as well as the ability to "position" for their Straight and Convertible side. The nature of this position is more of a "Portfolio Management" than of a "Market Making" type role, but will nevertheless be of a sufficiently complex and demanding nature to be attractive to high calibre applicants. In addition we have a number of openings in Eurobond or multi-currency SALES with many of the major houses. Generally we are looking for a track record but we do have some openings for 6 months plus houses, especially in the "FRM" markets. Remuneration is dependent on the ability and potential of the individual but will comprise a basic salary and bonus. Should you wish to contact FTB to discuss specific opportunities, in the year of change, or generally, then do not hesitate to contact Stephen Dossan on 006 1211, on 0206 578821 (evenings and weekends).

FTB RECRUITMENT
128/129 Cheapside, London EC2
01-506 1211

Top Executives earning over £25,000 a year

Can you afford to waste over £2,000 a month in delay? Minster Executive specialists in solving the career problems of top executives. The Minster programme, tailored to your individual needs and managed by two or more partners, is your most effective route to those better offers, 75% of which are never advertised.

Our clients have an impressive record of success; many blue chip companies retain our services in the redeployment of their top people. Telephone or write for a preliminary discussion without obligation - or cost.

MINSTER EXECUTIVE LTD
28 Bolton Street, London W1Y 8HB. Tel: 01-493 1309/1085

LEADING U.S.

INVESTMENT BANK

Due to the expansion of our international securities business we are inviting applications from trainee dealing staff. Some Stock Exchange experience desirable. Please reply in strictest confidence to Box A0028, Financial Times, 10 Cannon St, London, EC4P 4BY

APPOINTMENTS

ADVERTISING

APPEAR EVERY

THURSDAY

for further information contact

TREVOR PUNT
on
01 236 9763

LONDON DIRECTOR

TOWARDS A COMMON PURPOSE AT WORK

Prior to the retirement of the present Director, the Industrial Participation Association wishes to appoint his successor.

Established for over 100 years the Association has a special role in the industrial and commercial life of this country. Membership includes successful companies, large and small as well as leading Trade Unions. Dedicated to employee involvement the Association also seeks to influence Government and EEC legislation.

Applicants must provide identifiable experience of participation policy and practice; will preferably hold a good university degree or a professional qualification, e.g. finance or law; have proven management skills, the ability to think constructively with imagination and to communicate well with other people.

Preferred candidates will already live in or near London and be aged 40/50 years.

Please write enclosing concise CV and salary expectation to:

Sir Richard O'Brien
Chairman
IPA, 85 Tooley Street
London SE1 2QZ



INVESTMENT OFFICER

Major European bank is seeking an active person with research/sales experience to promote the London Stock Market to Continental institutions.

Applicants ideally aged 25-35 and fluent in French, should have a strong personality to maintain existing contacts and expand the client base.

The post offers good career prospects.

All applications will be treated in the strictest confidence.

Write Box A0026, Financial Times
10 Cannon Street, London EC4P 4BY

CJA

RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374 Fax No. 01-638 9216

A demanding appointment - scope to move up to position of Information Systems Manager in 18-24 months



COMPUTER SERVICES MANAGER - BANKING

LONDON

£28,000 - £38,000 + MORTGAGE

LEADING INTERNATIONAL BANK ASSETS APPROACHING £5 BILLION

We invite applications from candidates, aged 32-40, who have acquired at least 7 years' practical operating systems experience and at least 3 years either heading up, or as the number 2 of the operating systems within a user environment in a major corporation or financial institution. Reporting will be to the Information Systems Manager. Responsibilities will cover, through a team of 30+, the day-to-day efficient running of the Bank's computer systems and the provision of systems technical support, involving the updating, improvement and maintenance of the systems software. The ability to plan effectively, manage and set commercial priorities and meet deadlines is important. Initial remuneration negotiable, £28,000 - £38,000 + car, subsidised mortgage, contributory pension, free life assurance, free family BUPA, assistance with removal expenses if necessary. Applications in strict confidence under reference CSM4395/FT, to the Managing Director: CJA.

Opportunity to establish the Euro Trading function and to head up team in 1-2 years.



SHORT TERM EURO SECURITIES TRADER

CITY

£25,000-£35,000 + CAR

MERCHANT BANKING ARM OF PRIME NORTH AMERICAN BANK

We invite applications from traders in their mid to late 20's, who must have had at least 2 years' successful Euro instrument trading experience. The selected candidate, who will head the trading function and report to the Department Manager, will be responsible for trading the following instruments: Euronotes, Euro CDs and Euro Commercial Paper. Another key aspect of this appointment will be the formulation of dealing strategies and policies for this merchant banking team. Essential qualities are well developed trading skills plus the motivation to start up the function. Compensation by way of high basic salary and performance related bonus is likely to be in the range £25,000-£35,000 plus company car and a full range of banking benefits. Applications in strict confidence under reference EST17412/FT will be forwarded unopened to our client unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager: CJRA.

Key appointment for self-motivated, results orientated credit controller. Scope for increased responsibilities and career development abroad.



CREDIT AND COLLECTIONS MANAGER

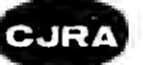
S.W. LONDON

£18,000-£24,000 + CAR

FINANCIAL SERVICES SUBSIDIARY OF A LEADING US MULTI-NATIONAL

Expansion means that our client now invites applications from candidates, aged 30-45, who are members of the Institute of Credit Management with at least 8 years' demanding and significant credit and collection experience, of which 3 years will have been spent in a management role. As collections are for both international and domestic markets, a thorough knowledge and experience of European and Middle Eastern collection instruments is essential. The successful applicant will have full responsibility for the management of an effective collection service for £15-20 million of receivables from approximately 2,500 accounts using an on-line real time system. Of key importance is the ability to motivate a team of up to 10 staff, setting their targets and measuring their performance. Other aspects of this appointment are: UK representation on the company's European Receivables Council (requiring some European travel); providing professional and appropriate recommendations on actions to be taken with difficult accounts; chairing monthly review meetings at all group companies. Initial salary negotiable £18,000-£24,000, plus company car, contributory pension, free life assurance and removal expenses if necessary. Applications in strict confidence under reference CCM17425/FT will be forwarded unopened to our client unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager: CJRA.

Prospects for further responsibilities particularly with the growth of traded options.



SETTLEMENTS - FINANCIAL FUTURES/ EQUITIES/BONDS

CITY

£12,000-£15,000

FURTHER EXPANDING CLEARING AGENCY OPERATION OF FOREIGN BANK

Applications are invited from candidates, aged 25+, who must have had significant settlements experience either with a stockbroker or other financial institution, including 2 years in LIFFE markets using the "Classic" system. The selected candidate who will report directly to the Managing Director, will be in a key position to develop this important function within a small but expanding environment. Initial salary negotiable £12,000-£15,000, BUPA, season ticket loan and other benefits. (Ref. SFF17427/FT).

This same bank also seeks two further settlements specialists: one for the INTERNATIONAL BONDS area (Ref. SIB17427/FT) and one for INTERNATIONAL EQUITIES (Ref. SE17427/FT). For both appointments salaries will be specially tailored and in the Equity area there is scope in due course to develop into sales.

Applications under the appropriate reference above will be forwarded unopened to our client unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager: CJRA.

35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEFAX: 01-638 9216
ORGANISATIONS REQUIRING ASSISTANCE ON RECRUITMENT, PLEASE TELEPHONE: 01-428 7530

THE ROYAL LONDON UNIT TRUST MANAGERS LIMITED

REGIONAL SALES EXECUTIVE UNIT TRUSTS

MANCHESTER, THE NORTH AND SCOTLAND

We are a rapidly expanding subsidiary of one of the major insurance companies. Over the past few years we have established a reputation for first class investment performance. Professional intermediaries already account for a high proportion of our sales.

We are seeking an executive to actively promote our range of unit trusts to stockbrokers, unit trust advisers, insurance brokers, solicitors and accountants throughout the North of England and Scotland.

The remuneration package reflects the importance of this appointment and includes a generous salary,

performance bonus, car, subsidised mortgage facilities and a non-contributory pension.

In return we are looking for:

- * A first class understanding of the investment scene
- * Strong personal motivation
- * The ability to express yourself clearly, unambiguously and with assuredness

Please write, in confidence, giving details of your qualifications and experience to:

R.J. Harwood, Unit Trust Manager,
The Royal London Unit Trust Managers Limited,
Royal London House, Middleborough, Colchester,
Essex CO1 1RA. Tel: Colchester (0206) 44155

SENIOR FINANCIAL MANAGER

Responsible for overall management of financial reporting, control and analysis for major US bank involved in commercial lending, Foreign Exchange, Money Market and, through its affiliate, Euro Securities activities. It is essential that candidates, aged 30 to 35, have management experience and a strong knowledge of and experience in US and UK regulatory and tax reporting.

Remuneration negotiable and competitive.

Please write enclosing Curriculum Vitae to Box A0027,
Financial Times, 10 Cannon Street, London EC4P 4BY

Accountancy Appointments

Accountants for Management Consultancy

London

Salary to £25,000 + car

We are one of the leading international management consultancies; we are now looking for further first class consultants and analysts for our financial management practice in the UK and overseas.

For consultant positions, successful candidates will be qualified accountants aged 28 to 35, with an honours degree, who can demonstrate proven achievement in industry or commerce. Experience must include responsibility for systems development as well as line management in the finance function. Personal qualities will include the ability to communicate clearly both orally and in writing.

For analyst positions we are interested in hearing from less experienced people over 26 who otherwise meet the profile indicated above.

We offer outstanding opportunities to broaden your experience in a wide

variety of industries and to work with stimulating colleagues from a number of disciplines. There are excellent opportunities for promotion within Peat Marwick for those who wish to pursue a career in consultancy. Of particular interest to us at the moment are people with experience of the manufacturing, retail, distribution and oil industries, or of treasury management.

If you are interested in joining our London office and working with us in the UK or overseas, please write in confidence, enclosing a brief summary of your qualifications and experience, and quoting reference A/JA/86, to Mike Coney at Peat, Marwick, Mitchell & Co., 1 Puddle Dock, Blackfriars, London EC4V 3PD.

**PEAT
MARWICK**

FINANCIAL DIRECTOR (DESIGNATE)

Age 30-35

A qualified chartered accountant who is looking for advancement in their career, who is probably next in line to the financial director of a successful public company and is looking for their next step. The successful applicant will be energetic, excited by challenge and have full knowledge of the duties of a company secretary. Excellent package of pay and conditions and removal expenses will be considered.

Apply in writing to: The Chairman and Managing Director, The ELS Group of Companies, Thomas House, Prescot Road, St Helens, Merseyside WA10 3XB

Corporate Financial Services Tiphook plc

Tiphook plc, following its recent flotation, is seeking to fill two new key appointments in the Corporate Financial Services' team based in Bromley, to assist in the planned expansion of the group.

Group Financial Controller
c.£25,000 + car

Applicants should be qualified chartered accountants aged around 35 and must be able to demonstrate a strong commercial flair.

Reporting to the Group Finance Director, the successful candidate will assume responsibility for all aspects of the group financial accounting and taxation functions, as well as the development of group management information.

A major part of the duties will also involve investigations into possible acquisitions and investment appraisals, using sophisticated financial modelling techniques.

Candidates should write in confidence, enclosing a comprehensive C.V. to: A. B. G. West, Group Finance Director, Tiphook plc, Chelsea House, 26 Market Square, Bromley, Kent BR1 1NA.

Data Processing Manager
c.£17,500 + car

Applicants aged around 28, should have 2 years' data processing experience and possess strong personal communication skills, in order to deal effectively with users at all levels.

Reporting to the Information Systems Manager, the successful candidate will be responsible for the day to day running of the group's IBM System 36 installation and will also be heavily involved in computer systems' development within the group. This includes development of the worldwide communications network and management information and financial modelling applications.

MANAGER FINANCIAL ACCOUNTING

Major International Oil Group

Central London

to £20,000

Our client is the UK subsidiary of a leading International Oil Group, whose continuing success is the result of an extensive programme of oil and gas exploration combined with substantial operated production interests in the North Sea.

Based in their prestigious West End headquarters, this is a key management appointment reporting directly to the Head of Corporate Accounting. You will be fully responsible for the control and operation of the Company's financial accounting function, the quality and accuracy of financial reports and accounts prepared to tight deadlines, and the supervision, direction and development of an experienced accounting team.

The company uses sophisticated and well established computer-based accounting systems, and therefore candidates, who will be qualified accountants, probably aged 28-36 will have had experience of highly-developed computer systems, together with evidence of excellent people-management and technical accounting skills gained in a progressive, possibly international, business environment.

This important appointment commands an excellent salary and large company benefits package, and offers the style of career prospects normally associated with major International Groups. For a detailed and confidential discussion, call Paul Goodman on 01-387 5400 (out-of-hours 01-954 5242) or write to him at:

FINANCIAL SELECTION SERVICES

DRAYTON HOUSE, GORDON STREET, BLOOMSBURY, LONDON WC1H 0AN TELEPHONE: 01-387 5400

Finance Director

Board appointment with new international company.

London

c.£30,000 + car

We have been retained by a newly formed, progressive shipping consortium to recruit a highly motivated and assertive Finance Director to join their dynamic management team from inception. Initiated by 4 Scandinavian shipowners, the company is responsible for the management and operational efficiency of a substantial international container fleet. Turnover is projected at c.£300m and it is expected that the company will become a major force in the world container leasing market with a network of overseas offices.

Utilising a highly sophisticated EDP and communications network, the Finance Director will be required to set up all necessary systems to manage the business effectively including tight budgetary control, international cash management and management accounting procedures.

A systems specialist, probably aged 28-35, with an international background, you will be graduate calibre with a recognised accountancy qualification and/or MBA. The ability to develop long term banking relationships and operate effectively in a UK tax/legal environment is essential. Previous exposure to equipment finance/leasing would be an advantage. You must be a self starter, essentially with a "hands on" approach and have the flexibility and insight to troubleshoot in a international capacity; travel to overseas locations will therefore be required.

If you feel confident of meeting the demands of this challenging appointment, please write, enclosing a comprehensive C.V., quoting ref. 297, to Ken Proctor, Executive Division, 39/41 Parker Street, London WC2B 5LL.



Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

Accounting Manager

A unique 'start-up' challenge

An international engineering and design company, in the process of setting up a major engineering division in South West London, is now establishing the first tier of management for this important new investment. This creates an opening for an accomplished Qualified Accountant to take up the created post of Accounting Manager.

Responsible for the initial set-up of accounting systems and then for their on-going maintenance, there will be involvement with the whole spectrum of accounting activities: general ledger, project accounting, financial reports, supplier invoices, regulatory reports, taxation reporting, office payroll and office budget. Reporting directly to the Managing Director, the position will represent the most senior accounting post within the division and will entail extensive financially related support to local management.

A qualified ACA/ACCA/ACMA, probably aged at least 30 in order to have sufficient experience for the responsibility, you will also possess the proven management ability to build an accounting team beneath you and benefit from the unique career development this 'start-up' challenge offers.

Assuming you can demonstrate the necessary qualities, a salary to match your present level will be offered together with the expected benefits.

Please write with full career details to John Wilson, Santa Fe (UK) Ltd., Parnell House, 19-28 Wilton Road, London SW1V 1LZ.



Santa Fe (UK) Ltd

Chief Accountant

Directorship Prospect £23,000 plus car

A profitable and growing London-based subsidiary of a significant plc, our client manufactures and distributes consumer goods in a highly competitive market sector in which it enjoys powerful standing. Turnover in 1986 should be about £2m. The person appointed will join a lively top management team, and will report to the Chief Executive. There is a firm prospect of a Board appointment.

Accountabilities will cover the financial management spectrum: there will be ample opportunities for innovative development. The successful candidate's previous experience in manufacturing industry - preferably in consumer goods - will have included significant computer systems and management accounting involvement. An accountancy qualification is essential: age indicator - probably 30's.

Relocation assistance would be available.
Please write - in confidence - to P. Bainbridge ref. B.17447.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Australasia and Asia Pacific.

HAY-MSL

FINANCIAL SERVICES

Financial Director

(Designate)

NORTH LONDON

An expanding and profitable electrical engineering company, a major subsidiary of a public company, wishes to appoint a commercially orientated qualified accountant as Financial Director Designate. The successful applicant will be responsible for the total financial control of this diversified business and will report to the Company's Managing Director.

The remuneration package is negotiable around £20k per annum plus car and includes the normal benefits appropriate to this senior position.

Applications which are in confidence, should include full career details.

Please write initially to:

G. R. Brown,
Elcco Holdings PLC,
Belcon House,
Essex Road, Hoddesdon, Herts EN11 0DR.

Business Systems Manager

Swindon, Wiltshire

c.£20,000 + car

Our client is a major high street organisation which is a leader in its marketplace and intent upon continual improvement in its operational performance. It is a key subsidiary of a very substantial, publicly owned UK industrial group.

The finance director wishes to appoint a qualified accountant to assist him in all aspects of the application of financial control within the company and in the use of information technology resources. This position has substantial indirect staff responsibility through various functional managers. It is regarded as a key part of the financial/administrative function and is likely to lead to career development in either finance or general management within the group.

Applicants should be qualified accountants whose experience encompasses the development and management of financial control systems and information centre technology. There will be substantial liaison with senior company management on critical financial issues.

Please address brief personal and career details to Douglas G Mizon quoting reference F/876/M at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Ernst & Whinney

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Divisional Management Accountants Qualified Accountants

Central & West London, Up to £20,000

Our client, a major engineering organisation with interests in civil and electrical engineering, is seeking to strengthen its management and financial accounting functions at divisional level in order to improve efficiency and its competitive edge.

It is seeking to recruit a number of high calibre senior management accountants who, as part of a divisional management team, will provide effective support and financial advice in an environment where demanding financial targets are being set.

If your technical ability, commercial acumen and communication skills match your commitment to success contact:

A.T. Matthews, Ref: 308/FT. Tel: 01-409 2766.
Hoggett Bowers plc, 1-2 Hanover Street, LONDON W1R 9WB.

Hoggett Bowers plc City Division

Young Accountants Must Read This

Hoggett Bowers plc, long recognised for its outstanding success in the field of Executive Search and Selection, has now opened an office in the City to serve the accountancy profession and the financial services industry. The consultants have been hand-picked for their experience within these fields and provide career advice and contacts which are second to none. They also work closely with our national network of offices which serves the profession and all sectors of industry and commerce country-wide. Whatever your requirements, if you are qualified or about to be so, you should telephone or write to Rupert Terry and find out what we can do for you.

01-588 4305
Moorgate Hall, 153/157 Moorgate,
LONDON EC2M 6XB.

Recruitment Consultants

Accountancy Appointments

Financial and business development director

London, c£40,000, plus substantial profit share



For a highly successful, long established £60m turnover consumer products group, a frequent Queen's Award winner with substantial export markets. The balance sheet is strong and adequate resources are available for business development through acquisitions and organic growth.

Reporting to the Chairman you will be responsible for the entire financial function and for developing and implementing the company's expansion and diversification plans.

Aged from 35 your post-qualification experience should include a period spent in marketing oriented international companies and at least three years in the FMCG sector, preferably at controller level. On the business development front the requirement is for a good record in identifying and evaluating acquisition opportunities, negotiating and liaising with vendors and professional advisers and in handling the day to day practicalities of absorbing new acquisitions into a group. This is not a large company and interpersonal skills of a high order both in and out of the boardroom will be of the essence.

Terms need not be a limiting factor.

Resumes including a daytime telephone number to Michael Pring, Executive Selection Division, Ref. P438.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants
10 Bourne Street
London EC4Y 8AX

Young Chartered Accountant

London
£18,000 + car etc

The parent company of a large and diversified international financial services group in the forefront of developments taking place in the City wishes to recruit a young and ambitious chartered accountant to assist the Group Financial Controller in carrying out his responsibilities and duties.

Working closely with the Group Financial Controller, the successful applicant will be part of a small Head

Office team involved in the production of timely, orderly and meaningful management information.

Applicants must be young, career minded chartered accountants offering distinct analytical ability currently working in the profession or in a group head office function.

In addition to salary, car and other benefits the position will offer excellent experience in a highly sophisticated environment plus

realistic prospects for further advancement in the Group.

Candidates can make application by quoting MCS/7178 and requesting a Personal History Form from Michael R. Andrews, Executive Selection Division, Price Waterhouse Management Consultants, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Price Waterhouse

FINANCE MANAGER

Our client is the profitable subsidiary of a major British electronics group. The Management Accounting Executive will play a vital role in advising operations management. Managing a large staff, key responsibilities will include business planning, forecasting, budgeting, investment appraisal and management reporting. Suitable candidates, aged 27-32, will be qualified accountants with demonstrable success within a major group. Ref: JG ESSEX

£23,000 + Car

PUBLISHING

Our client, a substantial publishing group, continues to expand both organically and through acquisition. An outstanding career opportunity exists for young accountants with controller-ship potential. Managing a small staff, this key appointment is responsible for the review and interpretation of monthly management information, business analysis etc. Suitable candidates, aged 23-32, will be qualified accountants possessing commercial awareness, an analytical approach and excellent communication skills. Ref: JG

C. LONDON c. £20,000 + Car

FINANCIAL SERVICES

This substantial unit of a US insurance group, with interests in the UK and overseas, requires a young Chartered Accountant with an insurance background to take on a developmental role. The Operations Accountant will be engaged in monthly reporting, together with a blend of claims, premium and treaty accounting and will enjoy considerable interface with the underwriting department. Additional responsibilities will include systems development and the management of six staff. Ref: GF

C. LONDON £22,000 + Car



Strategic - Financial Analyst

c£24,000

This is an opportunity to join the headquarters staff of a large multi-national manufacturing and construction Group based in Central London.

The analyst is required for a small department, working as Finance Director level on the Group strategic plan, acquisitions, divestments and the review of operating performance.

Applicants should have a flair for both strategic and financial analysis, coupled with the ability to communicate. An MBA and/or relevant experience in a major group is important. Age guideline - late 20s.

Please reply in confidence, quoting ref. L213, to:

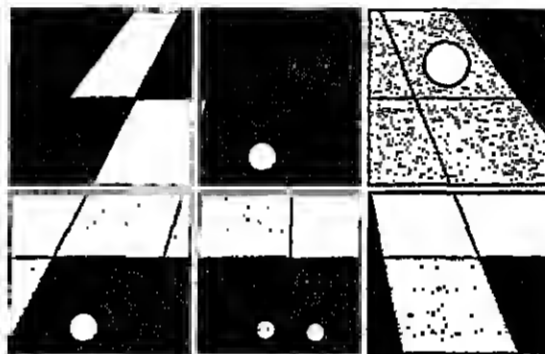
Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7ES
Tel: 01-240 7805

Mason & Nurse
Selection & Search

Opportunities in Information Technology

MANAGEMENT ACCOUNTANT

£17K + Benefits package



BIS Banking Systems is a well established international company enjoying market supremacy within one of the largest growth areas of the software industry - International Banking.

A unique opportunity has arisen for a young professional to join the current accountancy team to play a major role in the further development of our accounting and reporting systems. In addition, the position offers some possibility of overseas travel. Previous experience within the high tech. industry is not essential although

a knowledge of the IBM PC and/or System 36 would be useful.

If you are either ICMA or ACCA qualified, over 25 years of age, able to demonstrate good communications skills and possess the ability to build personal relationships with senior members of staff, then we suggest you call Trisha Robinson on the number below, to discuss this challenging position further.

Respond to: Trisha Robinson, BIS Software Ltd., York House, 199 Westminster Bridge Road, London SE1 7UT. Tel: 01-928 3551.

ACCOUNTANCY APPOINTMENTS
APPEAR
EVERY THURSDAY

GEC Hong Kong Finance Director

GEC Hong Kong represents the trading interests of the GEC Group in Hong Kong and is also a specialist electrical and mechanical contractor. About 500 people are employed.

Applications are invited from qualified Chartered Accountants in their mid-30s to mid-40s to succeed the present Finance Director who is moving to another position within GEC.

Experience in trading or project work is needed. Applicants must be capable of applying firm financial control and contributing to the profitable running of the business in a challenging environment.

Expatriate terms will apply.

Written applications, with detailed C.V. in confidence to:
The Director of Overseas Operations
The General Electric Company plc
1 Stanhope Gate
London W1A 1EH



Financial Director

South West London

c£25,000 + car + bonus

Our client is a successful, long established motor group based in South West London with a turnover of £15 million. Recent years have seen rapid growth in volume and profitability and the group has now embarked upon an exciting new period of development which will include acquisition and diversification. The need has arisen for an experienced manager to join the group as Financial Director with immediate effect.

The role will encompass all accounting, financial, computer and company secretarial aspects of the business. There will be considerable involvement with the Group Chairman in shaping the commercial development of the organisation. A qualified accountant, preferably

aged 30-45, you will have had broad-based accounting and computer systems experience. Candidates must be able to demonstrate drive and initiative with a genuine commitment to the further success of the group. An assertive but not abrasive style will be important within the energetic top management team.

The generous salary package will include a fully expensed executive car, profit sharing and options as well as a very good range of extra fringe benefits.

Interested applicants should write to Nigel Bates FCA, Executive Division, enclosing a comprehensive C.V., quoting ref 299, at 39-41 Parker Street, London WC2B 5LH.



Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Group Treasurer

Service Industry, Central London, £23,000, Benefits

Our client, because of dynamic and necessary changes, needs to recruit a Treasurer with the self motivation to identify and introduce control procedures for all cash matters.

Once established the duties will include responsibility for the department consisting of 4 support staff and the smooth running of the cash and banking function. Perhaps the most important aspect of the position would be to investigate and introduce computer systems to guarantee the most effective use of cash. Proposals for change would be accepted and implemented.

The successful applicant will be a qualified Accountant with at least 3 years experience as a Treasurer and someone who has clearly demonstrated the ability to envisage and make changes as they become necessary.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to A.T. Matthews, Hoggett Bowers plc, 1-2 Hanover Street, LONDON W1R 9WB 01-409 2766 quoting Ref: 307/FT.

Unique Opportunity for Young ACA

Up to £18K City + International Travel

This is an exceptional opportunity for a young ACA to join an international organisation as an Accounting Consultant.

Specialising in the field of investigative auditing for the insurance industry you will be based in the City and would enjoy significant worldwide travel. Each assignment is varied and interesting enabling you to develop your analytical, professional and communication skills.

Initially working on joint assignments you will quickly be given every opportunity to develop your knowledge and you will ultimately be involved in the development of future work for the international practice.

Starting salary will be up to £18K plus a negotiable benefits package.

Above average accountants with initiative and who are eager to develop their professional skills should contact Phil Bainbridge, Selection Consultant on 01-730 0833 or write to him - quoting ref. B.35012.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.
Offices in Europe, the Americas, Australia and Asia Pacific.



FINANCIAL SERVICES

FINANCIAL DIRECTOR

Age 30-40

£25,000 + Car

IPSWICH

A private group of companies whose activities include manufacturing of equipment for the oil industry, UK distribution of commercial trailers and tankers and industrial property investment, require an experienced qualified Accountant.

The successful candidate will be expected to work closely with the Chairman in determining the Group's future expansion.

The job is broadly based but with the emphasis on monitoring subsidiaries' performance, carrying out ad hoc investigations, reviewing the effectiveness of management information, financial appraisal of potential acquisitions and some systems work.

Applicants should have had several years experience in industry in a senior financial position.

Please write with full career details, quoting ref: GT/HLH, to Andrew Strickland FCA, Grant Thornton, Crown House, Crown Street, Ipswich IP1 3HS.

ACCOUNTANCY APPOINTMENTS ADVERTISING

£41 per single column centimetre and £12 per line
Premium positions will be charged
£49 per single column centimetre

For further information call
LOUISE KUNTER on 01-248 4864
or
TREVOR PUNT on 01-236 9763

Accountancy Appointments

Taxation Manager Banking

Age 26-32

£27,000 + car and benefits

Our client, a major international bank, will shortly appoint a Tax Manager to its European Division Headquarters in London as a result of promotion to their Head Office.

Responsibilities include:

- * Tax planning for the European Division in conjunction with Head Office
- * Designing and promoting tax based products for the bank
- * All aspects of contact with taxation authorities

The bank considers the tax manager to be an important member of the business team and the appointee would be expected to contribute to the decision-making process.

The ideal candidate will have had at least three years' post-qualification experience in the taxation department of a major accountancy firm where he/she would have dealt with the affairs of international banking clients. Alternatively, candidates may come from a tax department of an international bank. Salary will be negotiable depending upon experience, and will include the attractive fringe benefits associated with banking.

Please apply to Jock Courts, Career Plan Ltd., Chichester House, Chichester Rents, Chancery Lane, London, WC2A 1EG, tel: 01-242 5775.

Career plan
LIMITED
Personnel Consultants

Finance Director

East Midlands

c.£22,500 + car + bonus + share options

Our client is Pentos Home and Office Products Group Ltd., a division of the Pentos Group. Trading under the name of Caplan, the company is a successful, expanding manufacturer of office furniture.

A Finance Director is now sought to assume full responsibility for the finance function. Working closely with other members of the senior management team your brief will encompass the co-ordination of statutory and internal managerial information, cost control, the management of funds, acquisition analysis and the further development of computerised systems. The incumbent will also be expected to play a leading role in the general administration of the site.

As a qualified accountant in your 30's with an exceptional track record in a manufacturing environment, your commercial expertise will enable you to make a substantial contribution to the company's long term plans and corporate strategy. In return, the company can offer outstanding career prospects, an attractive salary package including an executive car and relocation costs where appropriate. If you feel capable of meeting the demands of this exciting, challenging role please write to Dean Gollings, Executive Division, enclosing a comprehensive CV quoting ref. B6197, at Bennetts Court, 6 Bennetts Hill, Birmingham B2 5ST.

MP

Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney
A member of the Addison Page PLC group

INTERNAL AUDITING ISN'T CONFINED TO AN OFFICE IN THE CITY

Well, at least not in Cable and Wireless, the world leader in international telecommunications operating in 60 countries.

Due to internal promotion and increasing Company demands there are new openings within our Internal Audit function for experienced audit professionals willing to undertake extensive overseas travel to our many business locations. These are excellent opportunities to gain rapidly a broad knowledge of this highly successful Company and could lead to significant career prospects within the mainstream finance functions.

MANAGER INTERNAL AUDIT

As a qualified accountant your experience will include a spell with a major audit firm followed by a number of years in Internal Audit in an international commercial environment. The preferred age range is early thirties and we are offering a salary of c. £20,800 plus large Company benefits which include a car, BUPA and overseas travel allowances. Relocation assistance will be given where appropriate. Ref: 531/FT.

INTERNAL AUDIT SENIOR

With one year's post qualification experience with a major professional audit firm you will be aged 25-30 and eager for a career in a commercial environment. We are offering a salary of c. £17,000 and associated large Company benefits including overseas travel allowances. Relocation assistance will be given where appropriate. Ref: 533/FT.

For both these positions, the successful candidates will be highly competent, self-motivated people, able to accept considerable autonomy and responsibility and who can demonstrate good interpersonal skills and management experience. A knowledge of computer based accounting systems is desirable.

Please send full CV, quoting the appropriate reference, to: Recruitment Manager, Cable and Wireless plc, Mercury House, Theobalds Road, London WC1X 8BX or telephone for an application form on 01-405 4980 (24 hours).

Cable and Wireless
Helps the world communicate

Exceptional development opportunity

Young Financial Manager

Thames Valley mid-20s c.£20,000

Mars Confectionery has a record of profitable growth which has made it the leading manufacturer in the UK's biggest packaged-goods market. A key factor in maintaining this impressive commercial success continues to be the effectiveness of our financial management and controls.

Following an internal promotion, this challenging opportunity has arisen for an outstanding young accountant to join our highly professional team. Initially, responsibilities will include the preparation of financial plans and forecasts, together with responsibility for the financial performance of a group of our brands. Significant involvement with all areas of the business is expected together with the ability to contribute to the success of the company's overall financial management. You must therefore be capable of expanding the horizons of your role, influencing the business, and gaining acceptance for your ideas.

A qualified accountant in your mid-20s with a good degree, you will already be able to demonstrate an impressive record of achievement - gained either in industry, or in the profession - and you are now looking to broaden your experience in a fast-moving business environment.

First-year earnings of around £20,000 (in a range rising to £28,000) will be backed by a comprehensive non-contributory benefits package including relocation assistance if appropriate. Success in this stimulating role will lead to excellent prospects for further career advancement - not necessarily restricted to financial management - within Mars Confectionery or other Mars Group companies in the UK or overseas.

Please ring or write for an application form to Rob Sawyer, Management Development Manager, Mars Confectionery, Dundee Road, Slough, Berkshire SL1 4DX. Tel: Slough (0753) 23732, ext. 4645.

Mars

ASHTON TATE

Key Financial Roles
Maidenhead, Berks.

Ashton-Tate is recognised as a pioneer in the development and marketing of business software and is now one of the largest microcomputer software companies in the world. The group has exciting plans for growth and now seeks additional financial expertise:

Financial Director (designate)

c.£23,000 + car + share purchase scheme

Reporting to the Managing Director with full responsibility for all financial/management accounting, the continued development of computerised systems and internal controls are key tasks. For this high profile role, we seek a high-

calibre qualified accountant, probably aged late 20's/mid-30's with sound commercial experience and an appetite for hard work. The person appointed will have a strong influence in company strategy.

European Financial Analyst

c.£17,500 + benefits + share purchase scheme

Responsibilities in this new career appointment will include developing timely and accurate management information, analysis and consolidation of financial statements, profit planning and implementing a forecasting system within Europe. Some foreign travel will be involved. The position will appeal to a young, qualified accountant or MBA with a high degree of ambition.

If you are keen to contribute to the success of a fast-growing, marketing-driven company, please write in confidence enclosing full CV and quoting reference MCS/2025 to Milton Ives, Price Waterhouse Management Consultants, Thames Court, 1 Victoria St, Windsor, Berks SL4 1HB

Price Waterhouse

Return to the Profession Financial Controller

c. £25,000 + Car

Continuing expansion of our firm (70 partners in 15 UK offices) increases the responsibilities and demands placed upon our Financial Controller.

To the requirement for production of management and financial accounts, budget preparation and leading a small Accounts Department team, is added a demand for advice, interpretation and recommendations to the managing partner.

The successful candidate is likely to be in his/her early 30's, professionally qualified with relevant experience probably gained in a Group situation. Interpretative ability, lucid thinking, results orientation and energetic approach are the keys to success in this position.

Please apply in writing with a concise CV to:-

Penny Alison (Miss), Director of Personnel,
Robson Rhodes, 186 City Road, London EC1V 2NU.

ROBSON RHODES

Hoggett Bowers

Executive Search and Selection Consultants

Career Opportunities with a Major British Group For 2 Young Qualified Accountants

North East. Initially to £14,500

Reorganisation and internal promotion within a major division of a leading British quoted group, has created a requirement for 2 high calibre young qualified accountants. Each will be assigned to a specific business unit within the division, which is engaged in the manufacture of quality branded consumer products for competitive markets. Primary emphasis is on the day to day management of a specific finance function, requiring the preparation and interpretation of detailed management accounting information with full supporting and variance analysis, to exacting deadlines. Additional responsibility includes the establishment and maintenance of fully integrated costing systems utilising sophisticated IBM based D.P. facilities, micro-computer based financial modelling and the management of a departmental staff of 10. Candidates aged under 35 must be qualified with extensive computerised accounting experience and will see these appointments as their next progression in a financial managerial career in manufacturing industry. Promotion prospects are excellent.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to: A.D. Kelly, Hoggett Bowers plc, 4 Mosley Street, Newcastle Upon Tyne, NE1 1DE, 0632 257465, quoting Ref. 44274/5/FT.

Hoggett Bowers

Executive Search and Selection Consultants

UK Accounting Manager

High Technology
Berks. c. £25,000, car

This company is a relatively small progressive, high technology company of American parentage and is growing rapidly but sensibly under a mature professional British management. The Finance Department has a small staff and a VAX 11/750 and the major objective is to develop and manage the accounting for the UK operation in a way that fully contributes to the business and its growth. Candidates, most probably CA, will be aged 30-35 with experience of American financial reporting in a high technology situation. They must be independently minded and be able to work at board level with no supervision. The company is still comparatively young and career prospects are excellent.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to H.W. FitzHugh, Hoggett Bowers plc, 1/2 Hanover Street, LONDON, W1R 9WB, 01-754 6852, quoting Ref: 19008/FT.

ESD

Group Chief Accountant

c.£20,000 + car + benefits

An expanding and highly profitable publicly quoted group of companies with an annual worldwide turnover of approximately £100m who are engaged in advanced electronics and precision engineering products needs someone to take responsibility for the day to day running of the group's finance function in Newbury and assist the Financial Director in all aspects of financial control of the group.

Based in Newbury, Berkshire, the successful candidate must have had a first class professional training followed by substantial general experience at corporate level. He/she will also need intellectual agility, flexibility, an entrepreneurial streak and a pleasing personal authority. Due to the pressures of the job, a sense of humour would help.

To apply please write quoting ref: MUB64 to the Managing Director, Executive Selection Division, 78 Grosvenor Street, London W1X 9FD.

ESD is the Executive Selection Division of EAL

MONTAGU, LOEBL, STANLEY & CO. (STOCKBROKERS) FINANCIAL CONTROLLER

We require a qualified accountant to succeed our financial controller who retires in April. The successful candidate will be responsible as the Chief Executive for management controls, Stock Exchange returns and must be familiar with computerised accounting and systems. The position carries management status and for the right person rapid promotion in an expanding business. Montagu, Loebel, Stanley & Co. will become a subsidiary of the Save & Prosper Group in April 1986.

The remuneration package which will be attractive, will be subject to negotiation. Please reply in confidence to:

Mr R. A. D. Froy,
Montagu, Loebel, Stanley & Co.,
31, Sun Street, London EC2M 2QP

ACCOUNTANCY
APPOINTMENTS
APPEAR EVERY
THURSDAY

for further information

contact

01 248 4864

Accountancy Appointments

Head of Finance

Establishing Sound Financial Links for
Worldwide Communications

Southampton c.£25K

In maintaining a complex submarine cable network, the Marine Services Division of British Telecom International provides the UK with vital international communications links.

This is a senior position reporting to the Divisional Director, with professional functional responsibility to BT's Chief Finance Officer, and offers an exciting opportunity to assist with the development of business worldwide in growth areas created by both offshore oil fields and enhanced cable technology. In building up the £20 million turnover Division into a fully commercial profit centre, tasks will span strategic planning, cost accounting and financial performance analysis. Increasing the flow of sophisticated information across the operational base will also be important. A shrewd, far-sighted professionally qualified

accountant, ideally with a degree in a business-related discipline, you must have substantial experience of senior management level, preferably gained in a shipping or manufacturing environment. Computer systems exposure is essential and major contract supervision would be a distinct advantage. Preferred age range: 30-40.

The remuneration package reflects the importance of this position. Salary will be negotiable around £25,000 and benefits are comprehensive. Prospects within this rapid growth environment are excellent. Please write with a full c.v. to Alan Hall, British Telecom International, Room 820, Holborn Centre, 120 Holborn, London EC1N 2TE.



CORPORATE SERVICES MANAGERS

International C.A.s—London

£20,000 plus + car + benefits

Ernst & Whinney is one of the most rapidly expanding accountancy firms with a highly developed sense of the market opportunity.

To support further practice growth planned for 1986, outstanding career opportunities can be offered in Corporate Services work to ambitious qualified accountants or MBAs with a minimum of five years relevant post qualification experience. Specific requirements are in:—

CORPORATE FINANCE

—where the need will be for the preparation and presentation of imaginative proposals backed by computerised financial models and a thorough knowledge of the alternative sources and methods of finance.

CORPORATE ADVICE

—where extensive experience of Stock Exchange requirements and reports, viability studies and acquisitions and general investigative work will be required.

For those demonstrating sound technical capability, a flair for inter-personal skills and a keen sense of commercial awareness, prospects in the medium term will be first class.

Relocation assistance, where appropriate will be provided.

Please write with full C.V. to Barry Compton.

E&W Ernst & Whinney
Accountants, Advisers, Consultants.

Becket House, 1 Lambeth Palace Road, London SE1 7EU. Tel: 01-928 2000.

Group Accountant—Advertising/PR

Central London
c.£20,000 + benefits



**MALLERMAN
SUMMERFIELD
AND PARTNERS**

Robert Walters Associates
Recruitment Consultants
54-62 Regent Street, London W1R 5PJ.
Telephone: 01-734 0493

Our Client, an advertising agency with substantial group billings, is seeking an accountant for their London offices.

The agency has developed a number of affiliated companies and now provides its clients with a comprehensive range of marketing/advertising and communication services.

The successful candidate will probably come from a similar industry background, is likely to be qualified and will head-up an accounts department of six staff in this newly created position. Age is less important than relevant experience.

For further information, please telephone Robert Walters or Carolyn O'Brien on 01-734 0493 or write giving brief details to the address shown.

ACCOUNTANT ~ a senior role in a small team

c £18k + benefits

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A vacancy has arisen in our Management Accounting department based in Aberdeen, for an Exploration Accountant.

Your job will be to provide a complete financial service for all of the operator exploration licences. This will involve you in:

- ★ the preparation and presentation of budgets to senior management and joint venture partners
- ★ the preparation of monthly statements of account forecasting cash requirements to ensure that there are sufficient funds to meet exploration expenditure
- ★ liaising closely with other technical departments

This challenging post promises both early responsibility and the opportunity to work with staff at all levels. You will be a senior member of a small team dealing with all financial aspects of Exploration Activities.

You will be a qualified Accountant, of graduate calibre in your late 20s/early 30s and with at least 2-3 years' post qualification experience in an oil related environment. It would also be advantageous if you had a knowledge of modelling/reporting software packages.

The company benefits include an excellent relocation package, pension and life assurance scheme and a subsidised staff restaurant.

If you feel that your background meets the requirements of this demanding position, send a detailed CV including current salary to B. Forbes, address as below or phone for an application form.

All applications will be treated in the strictest confidence.

PA
PA Advertising

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We have been retained to recruit a qualified accountant for Connolly Brothers Limited.

Our client is the foremost company in the preparation of finest quality leather. Their prestigious client base is drawn from the major names in the automotive and furniture industries.

Though established in the nineteenth century, recent growth to a turnover of £24 million with a staffing level of 480, has necessitated the appointment of a Financial Controller.

For the successful applicant, probably aged between 26-35, this newly created position represents a demanding and challenging role.

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You will also be expected to recommend and implement operational innovations—where appropriate—to enhance the profitability of the business and its associated companies.

As 45% of output is for export, an awareness of currency markets will be required.

Career prospects are excellent and a generous range of company benefits apply.

In the first instance apply with full curriculum vitae to Jonathan Fisher, Joslin Shaw Limited, Bell Court House, 11 Blenheim Street, London, EC2M 7AY. Telephone: 01-638 6262.

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Joslin Shaw Limited, Bell Court House, 11 Blenheim Street, London EC2M 7AY

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£27,864 to £30,456

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Details and application forms from:
THE PERSONNEL DEPARTMENT, TOWN HALL, SHEFFIELD S1 2HH
TELEPHONE (0742) 72417. CLOSING DATE 31st JANUARY 1986
If you wish to discuss the post further, please telephone
Rod Knowles, Chief Personnel Officer on (0742) 734081

City of Sheffield

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ACAs - EUROPE neg. to c. £22,000

Based in CENTRAL LONDON, our client is an INTERNATIONAL OIL MAJOR with interests in NORWAY, BELGIUM, ITALY, GERMANY, FRANCE, SWEDEN, SWITZERLAND, DENMARK, SPAIN, SOUTH AFRICA and other locations in the AFRICAN CONTINENT.

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The entry point is a training ground for above average young ACAs with a relevant language facility, aged 22-35, male or female with an interest in general TROUBLESHOOTING and/or gaining additional professional skills in the D.P. area.

Contact: G. D. MAXWELL, Managing Director

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Based in HIGH WYCOMBE, our client is a £30m turnover subsidiary of a major BRITISH RETAIL GROUP.

Due to reorganisation and the upgrading of the quality and depth of financial information as a priority, there is now a requirement to fill the newly created position of FINANCIAL ACCOUNTING MANAGER.

The successful candidate will have overall responsibility for a total staff approaching 50 currently capably managed by a number of experienced section leaders.

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Contact: Lynne Attwood

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Accountancy
Appointments
Europe

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MANAGEMENT ACCOUNTANT

Central London
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A young, qualified (ideally ACMA) accountant, you should have the ability to contribute towards the achievement of these objectives. (Ref. 9081/FT)

To provide a management accounting and programme costing service to our Manchester Network Production Centre.

As deputy to the Head of Finance, you will be responsible for the preparation of accounts, statistics and programme costs, as well as managing a Hewlett-Packard mini-computer and developing accounting systems. In addition to a professional qualification, you should have practical computer experience and be able to supervise support staff. (Ref. 9053/FT)

*Salary ranges quoted are effective 1st March 1986.

Relocation expenses considered. Contact us immediately for application form (quote ref. and enclose S.A.S.) BBC Appointments, London W1A 1AA. Tel. 01-927 5799.

ACCOUNTANT

Manchester
£10,134—£13,140*

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Accountancy Appointments

Financial Manager Corporate Finance

c£30,000 + car + banking benefits

Our client is a leading U.S. international bank with a long established presence in London. Internal promotion has created an exceptional opening for a high calibre accountant to fulfil a key role within their corporate finance department.

possess the necessary interpersonal skills to establish immediate and long term credibility within this high profile U.S. environment. Previous exposure to developing and maintaining accounting systems, policies and procedures ideally using personal computers is essential, as is the ability to make a personal contribution at all levels of the business.

Michael Page Partnership International Recruitment Consultants London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

Head of Internal Audit Major Financial Group

to £30,000 + low cost mortgage + car

Occupying a strong and central position in the world's major financial markets, our client is one of the City of London's leading financial institutions. With subsidiaries and offices throughout the world, the group is committed to international development and is undergoing rapid growth.

group's operations. Based in London and travelling approximately 25% of the time, he or she will work closely with senior management and will be in a highly visible position which should provide considerable promotion opportunity.

Please write, enclosing a career/salary history and daytime telephone number, to David Hogg FCA quoting reference H/356/AF.

Lloyd Management Selection Consultants

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

Financial Controller (Director Designate) West Midlands

Circa £21,000 + Car

This is a key appointment with a well established and profitable manufacturing company, with a turnover in excess of £6 million. The position is viewed as vital to future growth and expansion and the jobholder will be expected to make a significant contribution to the development and profitability of the company.

information systems * Finance and cash control * Budget preparation and control Ideally aged 35-45 years you should be a qualified Chartered Accountant and possess a broad financial/accounts management background.

opportunity to progress to Finance Director a genuine and achievable objective. Candidates, male or female, should apply in writing enclosing full career and personal details and quoting MCS/8804 to Philip Gardiner Executive Selection Division Price Waterhouse Management Consultants Livery House, 169 Edmund Street Birmingham B3 2JB

Price Waterhouse

INTERNATIONAL TAX AND AUDIT Berkshire based

Avis, a world leader in car rental and leasing seeks the following professionally qualified staff for its Europe, Africa and Middle East (EAME) Division Headquarters at Bracknell:

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For a qualified accountant with some experience of U.K. compliance and double taxation relief, this is an ideal opportunity to expand your knowledge into European and U.S. taxation matters within our EAME tax department, as well as developing yourself further through projects and research on U.K. and European tax issues.

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We try harder



Young Accountants International Equities

£16-22,000 + low cost mortgage

Part of a major banking group, our client is a significant force in the international equities market. Following acquisitions in both stockbroking and market making, the company is undergoing rapid expansion and is in the front line of the "revolution" in the finance sector.

implementation of systems, they will be highly exposed to senior financial and operations management throughout the organisation. The rapid growth of the company should provide considerable promotion prospects.

Lloyd Management Selection Consultants

Director of Finance

City Salary + Benefits c£50,000

Our client is a major professional firm with operations both in the City and overseas and has enjoyed substantial growth in recent years. To accommodate its continued planned expansion, the firm has recently carried out a review of its management and professional structure and has identified the need for a Director of Finance to play a crucial role.

Spicer and Pegler Associates Management Services

Company Notices

JOINT-VENTURE BAII plc and UNITED GRAIN PRODUCERS

BAII plc and UNITED GRAIN PRODUCERS LTD have the pleasure in announcing the establishment of a joint-venture company UNITED GRAIN TRADERS, the purpose of which is to provide investment and working capital for financing cooperatives.

FINANCIAL TIMES

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Our client is one of the country's leading interior design companies specialising in fitted kitchens, bathrooms and bedrooms. Due to continued rapid growth, they now wish to appoint a Finance Director Designate for one of their highly successful subsidiaries.

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FINANCIAL ACCOUNTING MANAGER

City Excellent salary + Package negotiable

THE BANK OF ENGLAND wishes to appoint a Chartered Accountant to manage its financial accounting function. Primary responsibilities will be the preparation of published and internal accounts and statements, all tax matters and the provision of ad hoc financial accounting advice throughout the organisation.

Senior Management International Executive Search Consultants Landseer House 19, Charing Cross Road LONDON WC2H 0ES

SECTION II - COMPANIES AND MARKETS
FINANCIAL TIMES

Thursday January 16 1986

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THE COMPLETE CORPORATE HEADQUARTERS
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Goddard & Smith
Telephone: 01-530 7321

Kaiser plans refinancing to fight takeover bid

BY TERRY DODSWORTH IN NEW YORK
KAISER ALUMINUM, the US aluminum company fighting a \$780m bid from J.A. Frates of Oklahoma, announced a wide-ranging reorganisation yesterday which will involve raising new capital that should help to make it less vulnerable to takeover.

Ammax in metal division shake-up

By Kenneth Marston, Mining Editor, in London
AMAX, the US natural resources group, has embarked on a big reorganisation of its metal businesses into two main sections.

John Davies in Frankfurt reports on battle in Europe's fertiliser market
The growing business of BASF

BASF, the West German chemical group, has returned to profitability in the fertiliser business - a commercial "battleground" in which large internationally active companies are locked in fierce competition.
Hoechst has responded to market pressures by closing fertiliser works at its headquarters near Frankfurt at the end of 1984 and by concentrating various operations at Oberhausen in the Ruhr.

First Wachovia returns strong growth as loan provision rises

BY PAUL TAYLOR IN NEW YORK
FIRST WACHOVIA, the expanding south-east US banking group formed last month by the interstate merger of North Carolina-based Wachovia and Atlanta-based First Atlanta, yesterday reported a 20 per cent increase in 1985 net earnings.

Goodrich charged by SEC

B.F. GOODRICH, the US tyre group, was yesterday charged by the Securities and Exchange Commission (SEC), with reporting and proxy violations in connection with a \$41m "greenmail" payment to corporate raider Mr Carl Icahn in 1984.

Superfos expects profit slide after weak performance in US

BY HILARY BARNES IN COPENHAGEN
SUPERFOS, the Danish chemical giant, said its 1985 pre-tax earnings will slide to a break-even level after heavy losses in the fertiliser division and especially as a result of last year's acquisition of the US Royster group.

Barkman to acquire building groups

BY David Brown in Stockholm
BARKMAN, the Swedish trading and finance company, has agreed to take over Tornet, a construction and property group, and Falun, the prefabricated woodwork producer, in a deal worth SKr 540m (\$70.5m).

Feldmühle optimistic on outlook

By Jonathan Carr in Frankfurt
FELDMÜHLE, the diversified West German paper and board manufacturer, is optimistic about business prospects this year after raising profits in 1985 on sales revenue up by 4 per cent to DM 3.1bn (\$1.26bn).

Abbott lifts earnings 15% on higher income

BY OUR FINANCIAL STAFF
ABBOTT LABORATORIES, the big US health care company, kicked off the drug companies' reporting season yesterday with a 15 per cent rise in 1985 net earnings.

Aegon starts takeover talks

AEGON, the Dutch insurer, has begun talks to buy Nederlandse Verzekering Groep for an undisclosed sum.
Nederlandse Verzekering is a small regional insurer with assets of Fl 82m (\$29m). Its annual premium income for 1984 was Fl 30m. It operates in the northern Netherlands where Aegon wants to expand its presence.

Delhaize sees lower result

BY PAUL CHEESERIGHT IN BRUSSELS
DELHAIZE Le Lion, the Belgian supermarkets group which earns about 70 per cent of its revenue in the US, expects lower consolidated profits for 1985 but its dividend will at least be maintained at the 1984 level of BFf 115 (\$2.30) a share.

FUTURES TRADING TO PROTECT CURRENCY AGAINST DOLLAR

Mexico to launch peso market

BY DAVID GARDNER IN MEXICO CITY
MEXICO IS shortly to introduce a futures market for the "controlled" exchange rate of the peso against the dollar - the rate used for 80 per cent of the country's trade and all its debt transactions, which is set by the financial authorities at a daily fixing.

The Hongkong and Shanghai Banking Corporation
(Incorporated in Hong Kong with limited liability)
U.S. \$400,000,000
Primary Capital Undated Floating Rate Notes (Second Series)
List of banks: Bank of China, Barclays Merchant Bank Limited, County Bank Limited, Fuji International Finance Limited, IBJ International Limited, Merrill Lynch Capital Markets, Samuel Montagu & Co. Limited, Nippon Credit International (HK) Ltd, Orion Royal Bank Limited, Shearson Lehman Brothers International, Sumitomo Trust International Limited, Union Bank of Switzerland (Securities) Limited, Yamaichi International (Europe) Limited, BankAmerica Capital Markets Group, Bank of Yokohama (Europe) S.A., Banque Nationale de Paris, Crédit Lyonnais, Daiwa Europe Limited, Generale Bank, KB International (Hong Kong) Limited, Manufacturers Hanover Limited, The Royal Bank of Scotland plc, Sanwa International Limited, Tokai International Limited, Westpac Banking Corporation, Bank of Tokyo International Limited, Banque Bruxelles Lambert S.A., Chemical Bank International Group, Dai-ichi Kangyo International Limited, First Interstate Capital Markets Limited, Indosuez Asia (Singapore) Limited, Kidder, Peabody International Limited, The Nikko Securities Co., (Europe) Ltd, Saitama International (Hong Kong) Limited, Takugin International (Asia) Ltd, Toronto Dominion International Limited

INTERNATIONAL COMPANIES and FINANCE

Intel loses \$15m in quarter as revenues continue to fall

BY LOUISE KEHOE IN SAN FRANCISCO

INTEL Corporation, the US Silicon Valley semiconductor manufacturer, has reported heavy losses for the fourth quarter of 1985. In addition, revenues for the year were down 16 per cent with net income cut by 99 per cent, reflecting the depressed conditions of the world semiconductor market.

Intel announced it would lay off about 700 people, or 3 per cent of its workforce, as part of an overall company restructuring.

Net income for 1985 was \$2m, or 1 cent a share, down from \$198m, or \$1.70 a share in 1984. Revenues were \$1.4bn, down from \$1.6bn.

The company reported a net loss of \$15m for the fourth quarter, compared to a profit of \$33m for the final quarter of 1984, and revenues were \$318m, down from \$416m.

Losses from operations for 1985 totalled more than \$60m, with fourth-quarter operating losses of almost \$35m, significantly worse than most analysts' predictions.

"Fourth-quarter orders were higher than in the third quarter, but

still are not adequate to sustain current revenue levels," said Dr Gordon E. Moore, chairman and chief executive. "We believe we've seen the worst of this cycle, prices are firming in some areas and demand for certain products is increasing."

However, he added: "Pricing is still quite low. We face a long climb back up from a very low base before we will return to a period of acceptable profitability."

"The long-term outlook for Intel is bright," said Dr Moore.

North American quarterly results

ARIZONA BANCHEER Bank holding company			DVL, MEDICALS & CHEMICALS Fertilisers, animal products			MORTON THOMAS Soft, household products		
Fourth quarter	1985	1984	Second quarter	1985-86	1984-85	Second quarter	1985-86	1984-85
Revenue	\$	\$	Revenue	\$	\$	Revenue	\$	\$
Net profit	7.94m	5.82m	Net profit	341.2m	377.2m	Net profit	493.4m	441.1m
Net per share	0.74	0.52	Net per share	5.8m	34.5m	Net per share	32m	28m
Year			Six months	0.35	1.28	Six months	0.88	0.85
Revenue			Revenue	658.3m	728.4m	Revenue	840.9m	844.7m
Net profit	28.2m	22.6m	Net profit	28.2m	71.8m	Net profit	66.7m	62m
Net per share	2.72	2.25	Net per share	0.74	2.02	Net per share	1.41	1.23

HARTFORD NATIONAL Bank holding company			MARYLAND NATIONAL Bank holding company			PACIFIC LIGHTING Lighting		
Fourth quarter	1985	1984	Fourth quarter	1985	1984	Fourth quarter	1985	1984
Revenue	\$	\$	Revenue	\$	\$	Revenue	\$	\$
Net profit	22.8m	19.7m	Net profit	13.8m	13.2m	Net profit	1.37m	1.35m
Net per share	1.14	1.05	Net per share	1.08	0.87	Net per share	55.9m	43.8m
Year			Year			Year		
Revenue			Revenue			Revenue	5.00m	4.70m
Net profit	85.4m	81.5m	Net profit	7m	4m	Net profit	150.1m	121.7m
Net per share	4.15	3.99	Net per share	4.11	3.01	Net per share	3.88	3.58

Amev buys remainder of Australian group

BY LACHLAN DRUMMOND IN SYDNEY

AMEV Australia, the Dutch-owned insurance and financial group, intends paying A\$89m (US\$48m) to take full control of its 30 per cent-owned general insurance associate, VACC Holdings.

Amev is in talks with VACC's controlling 51 per cent shareholder, the Victorian Automobile Chamber of Commerce, and intends offering A\$8.89 a share to the chamber and remaining shareholders. Those include other state motor-trade associations.

The proposed offer price compares with a closing stock market quote of A\$4.10 a share for VACC Holdings. Earnings per share were 64 cents for the year ended June 30 1985. VACC's net profits edged up 1 per cent to A\$7.18m. Premium income totalled A\$62m.

Amev will also seek to buy the chamber's stake in Amev Life once it completes the VACC takeover. Amev last year bought out local minority holdings in its Amev-UDT Finance subsidiary.

Amev has been a shareholder in VACC since 1980.

Household in \$500m share buyback move

By William Hall in New York

HOUSEHOLD International, the US consumer finance and manufacturing group, is to spend up to \$500m on buying back more than a fifth of its equity.

The group, which has frequently come under attack from a dissident shareholder group, yesterday said it would begin a cash tender offer for up to 11.5m of its 51.4m common shares outstanding.

The group is offering to buy back its shares at between \$42 and \$46 and said it would determine the per-share price it would pay on the basis of the number of shares tendered.

It will acquire a minimum of 5m shares. All shareholders who validly tender shares at or below the price selected by the company will receive the price selected by the company for the shares accepted for payment.

The tender offer will be financed by the proceeds of Household's recent sale of its merchandising unit to a group of investors. Household received \$300m in cash, equivalent to the book value of the unit, and \$125m principal face value of subordinated notes and a 10 per cent equity position in the acquiring corporation.

The news of the tender offer did not come as a complete surprise to Wall Street. This month, when the company announced that the decline in its 1985 earnings would be "greater than anticipated," it said its board would at its January 14 meeting consider various ways of using the sale proceeds.

For more than a year, Household's performance has come under fire from a dissident shareholder group, which at one stage attempted a takeover.

IRELAND
U.S. \$50,000,000
Floating Rate Notes due July 1992

In accordance with the provisions of the Notes, notice is hereby given that for the six months interest period from 16th January, 1986 to 16th July, 1986 the Notes will carry an interest rate of 8 1/2 per cent per annum. The relevant Interest Payment Date will be 16th July, 1986 and the Coupon Amount per \$50,000 will be \$21,682.25.

Bank of Tokyo
International Limited
Reference Agent

Eni International Bank Limited
ECU 135,000,000
Guaranteed Floating Rate Notes due 1992

Unconditionally and irrevocably guaranteed by
Ente Nazionale Idrocarburi

In accordance with the terms and conditions of the Notes, the rate of interest for the interest period January 16, 1986 to April 16, 1986 has been fixed at 9 1/4% per annum. Interest payable on April 16, 1986 will be ECU242.19 per Note of ECU10,000.

Agent
Morgan Guaranty Trust Company of New York
London Branch

NOTICE TO THE HOLDERS OF YAMAMUCHI PHARMACEUTICAL CO., LTD.
(Yamanuchi Seiyaku Kabushiki Kaisha)

2 3/4 PER CENT CONVERTIBLE BONDS DUE 2000

Pursuant to Clause 7(B) and (C) of the Trust Deed dated November 12, 1985 under which the above-mentioned bonds were issued, Notice is hereby given as follows:

1. On November 25, 1985, the Board of Directors of the Company resolved to make a free distribution of shares of its Common Stock to shareholders of record as of December 31, 1985 in Japan at the rate of 0.08 new share for each share held.

2. Accordingly, the conversion price at which the above-mentioned bonds may be converted into shares of Common Stock of the Company has been adjusted effective as of January 1, 1986 Japan time. The conversion price in effect prior to such adjustment was Yen 3,471.00 per share of Common Stock, and the adjusted conversion price has been Yen 3,213.90 per share of Common Stock.

YAMAMUCHI PHARMACEUTICAL CO., LTD.
By: The Sumitomo Bank, Limited
as Principal Paying Agent
January 16, 1986

NOTICE TO THE HOLDERS OF YAMAMUCHI PHARMACEUTICAL CO., LTD.
(Yamanuchi Seiyaku Kabushiki Kaisha)

4 PER CENT CONVERTIBLE BONDS DUE 1990

Pursuant to Clause 7(B) and (C) of the Trust Deed dated October 6, 1983 under which the above-mentioned bonds were issued, Notice is hereby given as follows:

1. On November 25, 1985, the Board of Directors of the Company resolved to make a free distribution of shares of its Common Stock to shareholders of record as of December 31, 1985 in Japan at the rate of 0.08 new share for each share held.

2. Accordingly, the conversion price at which the above-mentioned bonds may be converted into shares of Common Stock of the Company has been adjusted effective as of January 1, 1986 Japan time. The conversion price in effect prior to such adjustment was Yen 1,483.30 per share of Common Stock, and the adjusted conversion price has been Yen 1,373.30 per share of Common Stock.

YAMAMUCHI PHARMACEUTICAL CO., LTD.
By: The Sumitomo Bank, Limited
as Principal Paying Agent
January 16, 1986

This announcement appears as a matter of record only. The Warrants may not be offered or sold in the United States or to United States nationals or residents.

Goldman, Sachs & Co.

125,000
Series C Warrants to Purchase
U.S. \$125,000,000
9 7/8% United States Treasury Bonds
due November 15, 2015

125,000
Series D Warrants to Sell
U.S. \$125,000,000
9 7/8% United States Treasury Bonds
due November 15, 2015

Goldman Sachs International Corp.
as Selling Agent

January, 1986

January 14, 1986

The Ziff Company, Inc.
has been acquired by

The Albert Fisher Group Plc

The undersigned assisted in the negotiations and acted as financial advisor to The Ziff Company, Inc.

Salomon Brothers Inc

One New York Plaza, New York, New York 10004
Atlanta, Boston, Chicago, Dallas, London (affiliate)
Los Angeles, San Francisco, Tokyo (affiliate), Zurich
Member of Major Securities and Commodities Exchanges.

Carolina Builders Corporation
has been acquired by

Wolseley-Hughes, plc.

The undersigned acted as financial advisors to Carolina Builders Corporation in this transaction.

MORGAN STANLEY & CO.
Incorporated

CAROLINA SECURITIES CORPORATION

January 2, 1986

This announcement appears as a matter of record only

SYDKRAFT
Sydkraft Aktiebolag
(Incorporated in Sweden with limited liability)

DKK 300,000,000
9% per cent. Notes due 1992

Enskilda Securities
Svea/neriska Enskilda Lånbehold

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Bank Brussel Lambert N.V. Banque Générale du Luxembourg S.A.
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Credit Suisse First Boston Limited Den Danske Bank Deutsche Bank Capital Markets Limited
Generale Bank Hambros Bank Limited Kreditbank International Group
Morgan Guaranty Ltd Morgan Stanley International Post- och Kreditbanken, PK Banken
Svenska Handelsbanken Group Swiss Bank Corporation International Limited
Westdeutsche Landesbank Girozentrale

Bergen Bank A/S Berliner Handels- und Frankfurter Bank Creditanstalt-Bankverein
Crédit Lyonnais Dai-ichi Kangyo International Limited Den norske Creditbank
Girozentrale und Bank der österreichischen Sparkassen Kansallis Banking Group
Merrill Lynch Capital Markets Mitsubishi Finance International Limited Orion Royal Bank Limited
Sanwa International Limited Swedbank Toronto Dominion International Limited
Union Bank of Finland Ltd

December, 1985

INTERNATIONAL COMPANIES and FINANCE

Further gains in Eurodollar sector

BY MAGGIE URRY

ANOTHER DAY of recovery in the Eurodollar market, with prices rising by 1/4 to 1/2 point and more in recent issues, the Procter & Gamble to launch an issue.

only about 20 basis points above the 10-year US Treasury bond. Traders said the bonds were bid outside the full fees at the close yesterday, while syndication was still in progress.

coupon of 1/2 per cent over Singapore inter-bank offered rate (Sibor) and fees total 150 basis points. The issue was not traded actively in London yesterday.

result, lead manager CSFB-Effektenbank took the unusual syndication route. The Swiss franc foreign bond market was stable yesterday.

Big Swiss banks to cut bond commissions

By William Dullforce in Geneva

SWITZERLAND'S BIG bank syndicate, which dominates the Swiss franc bond market, is reducing its commissions, in order to attract foreign borrowers, according to a communiqué from Union Bank of Switzerland.

Paris wakes up to the threat from London

BY DAVID MARSH IN PARIS

IT IS HARDLY surprising that Paris has been experiencing a range of head-hunting exercises and financial regroupings which are starting to take on a distinct Anglo-Saxon flavour.

Most notable has been the departure announced last week of Mr David Dantresse, the chairman of Credit du Nord, to head a new financial services department at Lazard Freres.



Mr David Dantresse, leaving Credit du Nord for Lazard Freres

is hardly surprising that Paris has been experiencing a range of head-hunting exercises and financial regroupings which are starting to take on a distinct Anglo-Saxon flavour.

The Paris bourse is struggling to cope with the introduction of new computerised trading techniques, planned to start up gradually in July, as well as of a futures market in bonds, likely to start in mid-February after several months' delay.

Both measures are necessary to speed up the adaptation of the Paris market to the continuing boom in trading volume for bonds and equities. Additionally, Paris banks and brokers are aware that the prospect of sales of state holdings, allied to the increasing competitive muscle of London securities houses, is increasing further the risk that placement of French issues will migrate from Paris to London.

Tokyo plans study of stock index futures

By Yoko Shibata in Tokyo

THE TOKYO Stock Exchange, which launched a futures contract on Japanese government bonds last year, is to undertake a study of stock index futures.

The Osaka Stock Exchange, which has been conducting a similar study since 1983, is lobbying the Ministry for permission to begin trading the futures this year.

More renegotiations for ENEL

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

FLUSHED WITH the success of its recent \$300m Euronote for ENEL, Italy's electricity utility, has turned its attention once more to renegotiating older credits.

Unusually for a corporate deal, this credit does not carry a Euronote option and is designed principally to back up the issue of commercial paper in the US.

Among other new deals this week, Chuo Trust, the Japanese investment house, has launched a \$200m certificate of deposit programme with Citicorp as sole dealer.

German utility to raise DM 500m

REINHOLD - Westfälisches Elektrizitätswerk (RWE), West Germany's biggest electricity utility, is planning a warrant issue of bonds of up to DM 500m in the next few weeks.

terday that the offering, the terms of which have yet to be fixed, will take place shortly after the company's annual meeting on February 27. Shareholders are likely to be asked to approve an increase of DM 200m in the authorised capital from the current DM 2.25bn.

help finance its investment programme, which will partly be directed towards improving environmental standards. In the year to June 1985, RWE boosted turnover by 6.2 per cent to DM 15bn. The total of electricity supplied climbed by 3.5 per cent to 125.9bn kilowatt hours.

Goldman Sachs man recruited by Merrill

By Alexander Nicol

MERRILL LYNCH Europe is to seek a greater role in syndicated international equity issues with the appointment of Mr Richard Lutynas, a Goldman Sachs vice president, as a managing director in its investment banking group.

Mr Lutynas will be responsible for originating new issues and business for syndication by Merrill, working with the investment bankers in the home countries of issuing companies. Although Merrill plays a substantial role in the developing international equity market, it has not so far led any Euro-equity issues where Eurobond syndication methods are used.

Table with columns: US DOLLAR STRAIGHTS, Change on day, Bid, Offer, day, week, yield. Lists various bonds like Amsco 10 1/2, Amsco 10 3/4, etc.

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate secondary market. Closing prices on January 15

Table with columns: Issued, Bid, Offer, day, week, yield. Lists various international bonds like US DOLLAR STRAIGHTS, OTHER STRAIGHTS, etc.

DOMESTIC BOND MARKETS

Fresh buying in Frankfurt

Domestic bond prices ended higher in active bourse trading in Frankfurt, with foreign and domestic investors opening fresh positions after the US credit market's recovery.

Zurich up slightly

In Zurich, government bond prices rose slightly where changed. The two 4 1/2 per cent Swiss Federal bonds listed on the primary market rose 0.25 points each and both closed at 102.5 per cent.

Edf issue planned

The State-run Electricite de France (Edf) is planning to launch a domestic bond issue expected to be up to FF 5bn. Edf said it had requested Treasury authorisation for an issue towards the end of January but declined to comment on the amount or terms.

Advertisement for Companhia Nacional de Petroquímica, EP DEM100,000,000 Fixed Rate Loan. Includes logo and list of banks: Lloyds Merchant Bank Limited, Bankers Trust International Limited, The Daiwa Bank, Limited, The Mitsubishi Bank, Limited, Schröder, Münchmeyer, Hengst & Co., Bank, The Sumitomo Trust & Banking Co., Ltd, The Toyo Trust and Banking Company, Limited.

Table with columns: Issued, Bid, Offer, day, week, yield. Lists various bonds under categories like DEUTSCHE MARK STRAIGHTS, SWISS FRANC STRAIGHTS, CONVERTIBLE, etc.

INTL. COMPANIES & FINANCE

Wong Sulong on a confrontation between two former friends Battle for Promet comes to a head

A SIMMERING battle between two prominent businessmen from Malaysia and Singapore for the control of Promet—former stock market favourite among local and foreign investors alike—is now in the open and is due to be resolved at an extraordinary general meeting next Wednesday.

It pits Tan Sri Ibrahim Mohamed, Sambayan Malaysian entrepreneur, against Datuk Brian Chang, Singapore engineer turned businessman. The meeting next week is being held at the request of shareholders including Morgan Grenfell nominees, and is aimed at removing Tan Sri Ibrahim as Promet's chairman. Datuk Chang has denied that he is behind the move, although Morgan Grenfell has acted for him in the past.

Expected to lose It is widely expected by financial analysts in Kuala Lumpur that Tan Sri Ibrahim will lose the contest. Datuk Chang and his family own between 30 and 40 per cent of Promet, while Tan Sri Ibrahim's stake is believed to be about 10 per cent.

The two men were friends during their student days in London. Their split casts a question mark over the future direction of Promet, the marine engineering and construction group which has more than 100 companies incorporated in 12 countries, including Malaysia, Singapore and Hong Kong.

In 1980, while in their late 30s, the two took over the loss-making Bovis South East Asia from P & O of the UK, renamed it Promet (short for Progressive Methods), and turned it into one of the most sought-after shares on the

Malaysian and Singapore stock exchanges. Investors were attracted by the growth potential under the dynamic duo. Datuk Chang had by then built up what was one of the biggest and most profitable oil rig businesses in South East Asia and Tan Sri Ibrahim was hot currency because of his close personal links with Dr Mahathir Mohamad, the Malaysian Prime Minister.

The Ibrahim-Chang partnership also came at a time of improvement in the political and business environment between Malaysia and Singapore after many years of frosty relations.

By the end of 1983, the group was ranked 14th among companies on the Kuala Lumpur Stock Exchange, with a market capitalisation of 1.08bn ringgit (US\$450m). Its shares, which at one stage were chased up to 11 ringgit, have over the past two years experienced a free fall. They now sell at around 80 cents—below the 1 ringgit par value—capitalising the company at only 268m ringgit. It now ranks 77th on the KLSE.

From pre-tax profits of 115m ringgit in 1983, earnings fell sharply to 68m ringgit in 1984, and 14.5m ringgit for the first six months of 1985.

In the heady days when it seemed almost nothing could go wrong, Tan Sri Ibrahim, as executive chairman, operated from Kuala Lumpur and looked after the construction side of the business, while Datuk Chang, as managing director, stayed in Singapore and concerned himself with oil rigs and marine engineering works.

Commitments were often made by one party and later confirmed over the telephone with the other. "It was a very relaxed relationship, and for a while, it worked out well," said

a banker familiar with the Promet group. Strains emerged when Tan Sri Ibrahim began to diversify his business interests. He became a major shareholder in Selangor Properties, which is developing 54 acres of commercial land in Kuala Lumpur and is caught in the office property glut. He also became managing director of Idris Hydraulic, the listed vehicle of the ruling United Malays National Organisation. Datuk Chang found himself having to spend more and more time in Kuala Lumpur.

The fortunes of Promet also took a sharp downturn with the fall-off in orders for oil rigs and the decline in the construction industry, and this aggravated matters. Several major investment decisions now appear to have been ill-timed. In 1983, Promet committed US\$160m to oil exploration in China, Indonesia and Malaysia and, despite optimistic remarks by directors, these investments are not expected to yield the rewards commensurate with the risks taken.

Lukewarm interest Promet was also given a government franchise to develop Langkawi Island in northern Malaysia into a major tourist resort. The project is expected to cost more than US\$1bn, but foreign and local investors have so far shown lukewarm interest in participating in various opportunities offered by the project.

Meanwhile borrowings had steadily risen to 270m ringgit, which while not dangerously high, were a cause for concern. Tan Sri Ibrahim and his brother, Abdullah, who is also a director of Promet, is how one addition believed to be saddled

with sizeable personal loans which the banks are pressing them to repay. Last week Overseas Union Bank of Singapore filed a High Court suit seeking to recover US\$25m from Abdullah, who is reported to be in the US for medical treatment.

Problems between Tan Sri Ibrahim and Datuk Chang came to a head when the former signalled his intention to inject his 19 per cent stake in Selangor Properties into Promet.

He was believed to have obtained the 55m shares at around 3 ringgit per share, while the market price is below 1.4 ringgit.

Datuk Chang refused to agree because of the price. Tan Sri Ibrahim was reported to have countered with an offer to buy his partner's stake in Promet, which was also turned down.

Both men maintain that despite its present difficulties, Promet is in reasonably good shape, with a viable future. The oil rig business with areas of marine engineering has been trimmed with the loss of 2,500 jobs over the past two years. Promet has construction activity worth several hundred million ringgit in hand.

Tan Sri Ibrahim believes that Promet, while incorporated in Kuala Lumpur, is perceived by the Malaysian Government as a foreign company, and loses out on major contracts because of this. He wants it to increase the level of locally held equity.

Whether he has his way, or finds himself out of the company, will be decided at the meeting on the 33rd floor of Promet Towers in Kuala Lumpur next Wednesday.

"Two tigers cannot stay on one mountain" is how one banker described the split.

Malaysia—Singapore exchange ties attacked

BY WONG SULONG IN KUALA LUMPUR

A LEADING Malaysian merchant banker, who is advising the Government on reforms in the securities industry, has called for a re-examination of the close links between the Malaysian and Singapore stock exchanges, with a view to severing some of these ties.

Datuk Malek Marican, managing director of Arab Malaysian Merchant Bank, said the "Siamese twin" relationship between the two stock markets was historical, and the current problems relating to forward share purchase contracts—blown up by the crisis in Pan-Electric Industries, the Singapore marine salvage and property group—have highlighted the need to ask whether such close

links were beneficial to either exchanges.

He noted that while the Malaysian authorities no longer allow new Singapore companies to be listed on the Kuala Lumpur Stock Exchange (KLSE), new Malaysian companies are still allowed ex listing on the Stock Exchange of Singapore (SES). As a result, 185 of the 315 companies on the SES are Malaysian-based. These companies accounted for 52 per cent of the volume of all shares traded on the SES in 1984, the latest year for which figures are available.

"Malaysia clearly needs to improve the capacity of its sharebrokers to trade in bigger blocks with international

brokers and fund managers who up to now tend to trade in Malaysian shares through Singapore brokers," Datuk Malek said.

A substantial portion of SES transactions in shares of Malaysian companies related to speculative second and third liners, rather than the blue chips, he noted.

"In fact, a portion of the more dubious transactions that occur in Singapore relate to the more speculative Malaysian shares. It is common knowledge that syndicates which try to rig share prices operate on both sides of the Causeway."

Datuk Malek said the Malaysian authorities should consider preventing smaller

Malaysian companies from listing in Singapore and Hong Kong, in order to curb such manipulation.

He also called for the creation of a securities market commission, with a full-time commissioner and strong secretariat, to regulate and develop the Malaysian securities industry.

At the moment, the supervision of the industry is split among various bodies, including the KLSE committee, the capital issues committee, the foreign investment committee and the proposed takeover panel. Quite often, these authorities duplicate work, and companies and their merchant bank advisers encounter long delays in getting proposals approved by all these bodies.

Japanese store operator starts investment advice

BY YOKO SHIBATA IN TOKYO

DAI'EI, Japan's largest supermarket chain operator, is next month to launch an investment advisory business in co-operation with Morgan Grenfell, the UK merchant bank.

Dai'ei Investment Advisory Company, the new subsidiary, is believed to be the first investment counselling business to be launched by a non-financial institution in Japan. It will be Tokyo-based and, although capitalised at just ¥100m (US\$3,000) will be headed by Mr Isao Nakachi, president of

Dai'ei. At the initial stage it plans to concentrate on portfolio management for the pool of surplus funds within the Dai'ei group. It intends to accumulate fund management expertise, vying in the future with those investment advisory companies affiliated to commercial banks.

According to Dai'ei, the company has been negotiating with Morgan Grenfell to reach an operational agreement which would supply it with fund management advice.

Gencor mines earnings lifted by gold price rise

BY KENNETH MARSTON, MINING EDITOR

THE AVERAGE gold price received by the 12 South African gold mines in the Gencor group in the December quarter rose to R26,829 per kilogram from R22,278 in the previous three months. Among the resultant profit increases, Buffelsfontein showed up well with a rise of nearly 50 per cent to a net R47.5m (£14.1m or \$20.3m).

Gold production at Buffels was lower in the latest quarter, but uranium revenue recovered sharply from the low level of the previous three months and a first share of income (R5m) was received from the young Beatrix mine. The latter lifted profits by 44 per cent further to R9.68m.

The marginal West Rand Consolidated saw a rebound in

earnings after the fall recorded in the December quarter and also qualified for a tax credit. Sibfontein recorded a lower-than-average gold price and the tax charge was inflated by an adjustment arising from the replacement of the state aid formula by the mining formula.

However, the mine still emerged with a higher net profit thanks to the receipt of a half-yearly dividend from the Chemwes uranium treatment subsidiary. The change in the tax formula also resulted in higher tax for Leslle, which consequently came out with a lower net profit.

Braekon also earned less in the latest quarter. Gold production fell in line with a lower ore grade, while tax increased.

GOLD MINE RESULTS table with columns for NET PROFITS and GOLD PRICES RECEIVED, listing various mines and their quarterly performance.

THE NIPPON CREDIT BANK (CURAÇAO) FINANCE N.V. advertisement for floating rate notes due 1986, including terms and contact information.

iberpistas advertisement for U.S. \$18,000,000 Serial Floating Rate Mortgage Notes Due 1986, including interest rates and agent bank information.

AIBD BOND INDICES table showing weekly Eurobond guide for January 16, 1986, with columns for redemption yield, change on week, and 12-month high/low.

Hudson's Bay Company advertisement for U.S. \$50,000,000 Floating Rate Notes Due July 1989, including terms and agent bank information.

Bear Stearns advertisement for New Jersey National Corporation 8 3/4% Convertible Subordinated Debentures Due 2010, including terms and agent bank information.

National Bank of Canada advertisement for Hydro-Québec Floating Rate Debentures Serie GD Due 1991, including terms and agent bank information.

Tokyo Pacific Holdings (Seaboard) N.V. advertisement for weekly net asset value, including listing on the Amsterdam Stock Exchange and contact information.

CRÉDIT D'ÉQUIPEMENT advertisement for guaranteed floating rate notes due 1996, including terms and agent bank information.

United Virginia Bankshares Incorporated advertisement for 800,000 Shares of Common Stock, including terms and agent bank information.

UK COMPANY NEWS

THEY 19% ahead at record £130m



Mr Rocco Forte, chief executive of Trusthouse Forte: current outlook excellent.

WITH ALL divisions contributing to a record pre-tax £129.8m, a 19 per cent increase on its previous £108.9m, Trusthouse Forte has bettered market expectations for the year to end-October 1985.

At the interim stage, with profits of £39.2m (£35.4m) the directors looked forward to a full year of continuing progress, and they now say that the group's current trading is comfortably ahead of last year, with the trend continuing to be seen in forward bookings.

He added that the group was accelerating its development programme for Post House in the UK. The National Coal Board pension fund has already committed £25m to the funding programme, and THEY is looking for £100m outside finance altogether.

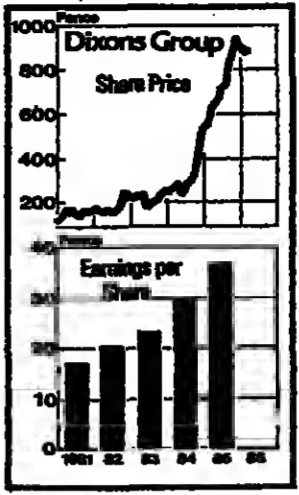
He added that the group was accelerating its development programme for Post House in the UK. The National Coal Board pension fund has already committed £25m to the funding programme, and THEY is looking for £100m outside finance altogether.

Magnet & Southern margins squeezed

ALTHOUGH producing record turnover for the half year ended September 30 1985, the Magnet & Southern group has been unable to carry this through to profits.

Dixons pleases City with profits surge to £30m

A CONTINUATION of its rapid expansion, and the inclusion of Currys for a full period, has given the Dixons group of electrical retailers a pre-tax profit of £30.1m in the 28 weeks ended November 9 1985.



Dixons Group Share Price and Earnings per Share

UK operations boost Prudential

MARGINAL GROWTH in new life and pensions business worldwide in real terms, but a decline in sterling terms is reported by the Prudential Corporation for its operations last year.

Distribution and overseas divisions boost Wyko

A 19.5 per cent increase from £91,000 to £101,000 in pre-tax profits is reported by Wyko Group, the West Midlands distributor of bearings and power transmission components, for the six months to October 31 1985.

Really Useful share price struck at 330p

SHARES in Andrew Lloyd Webber's Really Useful Group have been priced at 330p, just 10p above the 320p minimum tender price, to value the company at £88.5m.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interim or final and the sub-divisions shown below are based mainly on last year's timetable.

STURGE HOLDINGS PLC advertisement. Includes logo, text: 'TURNOVER UP BY 46%', 'PRE-TAX PROFIT UP BY 50%', 'FINAL DIVIDEND DOUBLED TO 4p PER SHARE'. Lists directors and provides contact information.

Summary of results table for Sturge Holdings PLC for the year to 30th September 1985.

Advertisement for The Albert Fisher Group PLC. Text: 'The undersigned acted as financial adviser to The Albert Fisher Group PLC'. Includes logo for Hill Samuel & Co. Limited.

BASE LENDING RATES table listing various banks and their respective interest rates for different deposit types and currencies.

Advertisement for The Ziff Company, Inc. Text: 'The undersigned acted as financial adviser to The Albert Fisher Group PLC'.

Advertisement for Hill Samuel & Co. Limited. Text: 'Hill Samuel & Co. Limited, 100 Wood Street, London EC2P 2AJ, January 1986'.

Advertisement for DE FORENEDE BRYGGERIER AS. Text: 'Invitation to the shareholders in... D.KR. 89,775,000 ordinary shares, (A-shares) D.KR. 44,887,500 preference shares, (B-shares) D.KR. 28,061,800 C-shares'. Includes subscription details and contact information.

UK operations boost Prudential

MARGINAL GROWTH in new life and pensions business worldwide in real terms, but a decline in sterling terms is reported by the Prudential Corporation for its operations last year.

The success story in the UK was the near 30 per cent rise in new annual premiums for self-employed pensions to £48m - Pru is a leader in this field.

Prudential's single premium linked business fell dramatically, following the decision to consolidate unit trusts.

Goring Kerr near 20% growth

ON AN adjusted basis, in respect of currency transactions, pre-tax profits of Goring Kerr have risen by 18.7 per cent, from £2.24m to £2.68m, in the year ended September 30 1985.

The company, which makes metal detection systems, is a subsidiary of Tacc, is paying a final dividend of 7p to lift the net total to 25p to 10.8p.

Turnover in the year rose from £7.73m to nearly £8m, from which a gross profit of £4.2m (£3.99m) was earned. Operating profit came to £2.65m (£2.24m).

DIVIDENDS ANNOUNCED table listing company names, current payment, date of payment, and total dividend for the year.

Advertisement for HOTEL INTER-CONTINENTAL COLOGNE. Text: 'In Cologne overlooking the world's largest Gothic Cathedral, you will enjoy perfect service and true German hospitality'. Includes logo and contact information.

UK COMPANY NEWS

Lotus suspension fuels bid speculation

BY JOHN GRIFFITHS

SHARES IN Group Lotus, the sports car and engineering concern, were suspended at 121p yesterday at the company's request. No explanation was given other than that the suspension was "pending an announcement."

Bailey discusses selling Bristol Shiprepairers

Mr Christopher Bailey, the flamboyant marine engineer, is in talks over the possible sale of Bristol Channel Shiprepairers in which he holds a near 80 per cent stake.

Plantation companies' shares suspended

Shares in two plantation companies — Anglo Indonesian Corporation and Plantation and General Investments — were suspended yesterday as the groups announced they were holding talks on a merger.

Anglo Indonesian was suspended at 16p, up 1p, giving it a market capitalisation of £8.8m. Plantation and General was suspended at 25p, up 5p, giving it a market value of £10.2m.

Guinness man named in bid for Macarthys

BY DAVID GOODHART

Jadelle, the new company formed by the investment trust John Govett to bid for Macarthys Pharmaceuticals, yesterday revealed the identity of its mystery executive who will take over the pharmaceuticals company if the £34.9m bid succeeds.

Morgan Crucible in fresh attack on First Castle

MORGAN CRUCIBLE yesterday challenged the investment spending and taxation policies of First Castle Electronics for which it made a hostile £41m bid just over a month ago.

Ensign Trust in champagne move

Ensign Trust, the quoted investment trust controlled by the Merchant Navy Officers' Pension Fund, has paid £2.7m for a 10 per cent stake in Charles Heidsieck, France's seventh largest champagne house, which has stocks of 12m bottles.



Growth continues HALF YEAR PROFITS UP 41%

Interim Results

Table with 3 columns: Metric, 6 months ended 31st October, 1985, 6 months ended 31st October, 1984. Rows include Turnover, Profit before taxation, Taxation, Extraordinary item, Profit after taxation and Extraordinary item, Earnings per share.

Dividend: An interim dividend of 0.5 pence per ordinary share will be paid on 27th February, 1986 to shareholders on the Register on 6th February, 1986.

Mr. B.J. Gibbens, Chairman, reports: CAP continues to grow profitably and in the first six months of 1985/6 has won significant orders in all sectors of the business.

CAP Group plc 233 High Holborn, London WC1V 7DJ Telephone: 01-831 6144

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1980=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfiled vacancies (000s). All seasonally adjusted.

Table with 5 columns: Year, Prod. output, Invst. order, Eng. output, Retail Unem. played. Rows for 1984 and 1985 quarterly and monthly data.

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal machinery, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

Table with 5 columns: Year, Consumer goods, Invest. goods, Intmd. goods, Metal output, Textile Housg. starts. Rows for 1984 and 1985 quarterly and monthly data.

EXTERNAL TRADE—Indices of export and import volume (1980=100); trade balance, current balance (£m); oil balance (£m); terms of trade (1980=100); excluding reserves.

Table with 5 columns: Year, Export volume, Import volume, Visible balance, Current balance, Oil balance, Terms trade, Rev. US\$bn. Rows for 1984 and 1985 quarterly and monthly data.

FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

Table with 5 columns: Year, M0, M1, M3, advances inflow, HP lending rate. Rows for 1984 and 1985 quarterly and monthly data.

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

Table with 5 columns: Year, Earnings, Basic matls., Whsale. prices, RPI, Foods, FT commodity, Strig. Rows for 1984 and 1985 quarterly and monthly data.

IN BRIEF

BRITISH TELECOM has purchased GTE Directories, its southern sales contractor for Yellow Pages. The agreed takeover was effective from January 6.

BREMNER, the Glasgow based department store, announced that its hostile £9m takeover bid for George Dew, the engineering group, had lapsed.

FINANCIAL TIMES BOOKLETS

The following booklets are available from the Financial Times: Capital Gains. The key figures to calculating your tax £4.50. How to compete on equal terms £3.75. Venture Capital £3.50. Jobs, pay, unions & ownership of capital £1.50.

A FINANCIAL TIMES SURVEY STORAGE & HANDLING

Wednesday, 12 March 1986. For any further information please contact: MARK FISHER on 01-248 8000 ext 3389.

LADBROKE INDEX

1,106,110 (+10) Based on FT Index Tel: 01-427 4411

THE POWER BEHIND SUCCESSFUL RETAILING

Interim profits up 140% to £30.1m

- Sales up 112% to £451.3m
● Earnings per share up 43% to 21.6p
● Interim dividend up 20% to 2.31p per share
● 3 for 1 scrip issue proposed

Table with 3 columns: Metric, 1985/6, 1984/5. Rows for Sales, Profit before Tax, Earnings per share, Dividend.

Christmas trading has been excellent and shareholders can clearly anticipate further substantial profit growth for the full year. Stanley Kalms, Chairman (extract from the interim statement)

Advertisement for retail partners: Dixons, Currys, DCP, MASTERCARE, POWERCITY, saisho, MIRANDA, CARLTON, Fotopost, MITSUBISHI, TRUPRINT, Horizon. Includes address: Dixons Group plc, 18-24 High Street, Edgware, Middlesex.



Union de Banques Arabes et Françaises-U.B.A.F. has announced their acquisition of a 51% share-holding in UBAN International Limited in Hong Kong.

Public Works Loan Board rates

Table with columns for Effective January 26, Rates, and Non-quota loans. Rows list various loan durations from 1 to 25 years.

Non-quota loans are 1 per cent higher in each case than non-quota loans A. Equal instalments of principal, 2 Repayment by half-yearly amounts (fixed equal half-yearly payments to include principal and interest).

Howden Group profits hit by stronger pound

Howden Group yesterday reported virtually unchanged interim profits, blaming the adverse effect of sterling's strength on overseas earnings.

With almost 60 per cent of its business overseas, currency movements have clearly had an adverse impact on Howden's interim profits.

Ryan Hotels profits over double

IRISH HOTELS group Ryan Hotels more than doubled pre-tax profit from £268,000 to £518,000 (1.21m) on turnover in hotels and travel up 17 per cent in the year to October 31 1985.

Earnings per share rose 110 per cent from 4.25p to 4.45p. The net dividend is 1p, making 1.21m for the year against 0.65p last year.

HunterPrint plans to seek full listing

HunterPrint, the commercial colour printer quoted on the USM since October 1982, is to seek a full listing.

The final dividend proposed for the year ending 31st December 1985 is 2.5p, up 13.4 per cent on the previous year.

County Properties makes £6.4m after McLeod profit rise

County Properties Group, investment holding company, lifted pre-tax profits to a record £6.4m in the year ended September 30 1985 compared with £5.28m for the previous 18 months period.

The bulk of the increase arose from the group's 40 per cent holding in McLeod Russell, the plantations and manufacturing concern.

Large table of numbers, likely a serial number list for the bonds mentioned in the text.

The Notes are drawn for redemption by cheque and payable on February 18, 1986 together with accrued interest for the period from February 13, 1986 to February 18, 1986.

On and after February 18, 1986 the Series A Notes so redeemed shall cease to bear interest.

As of this date, the outstanding principal amounts are: Series A Notes: US\$ 36 000 000.- Series B Notes: US\$ 34 000 000.-

Zurich, January 16, 1986

CREDIT SUISSE as Fiscal and Principal Paying Agent

UK COMPANY NEWS

Product shortage pushes Multitone into losses

A SLIPPAGE in the introduction of some new products was the main reason for a drop in turnover at Multitone Electronics in the half year ended September 30 1985...

launched broadly according to plan, but the delay encountered affected two high volume products which are included in many of the on site systems that the group sells.

comment Multitone seems determined to establish a reputation for itself as a company which can be relied on to pull a disappointment out of the hat twice a year.

PR company in Burnett ship deal

Burnett & Hallams, the troubled coal and property group, confirmed yesterday that its London public relations advisor, City and Commercial Communications, was the majority shareholder in a company formed in 1983 to buy a ship for \$27.4m and keep the deal off Burnett's balance sheet.

CAP Group leaps 42% to £1.2m

EXPANSION continues at CAP Group, one of the UK's leading software houses which came to the stock market last July at 120p per share.

comment CAP's flotation last year could scarcely have come at a worse time, with the whole sector on the skids and the market still raw from Micro Focus incident.

Société Générale US \$250,000,000 Floating Rate Notes 1990/1995 NOTICE OF REDEMPTION

McDonnell Douglas Finance Corporation International N.V. U.S. \$50,000,000 17% Guaranteed Notes Due 1989

Table with columns: High, Low, Company, Price Change, Gross Yield, P/E, Fully. Lists various companies like Ass. Brit. Ind. Ord., Altracorp Group, etc.

Standard Securities 10% higher Standard Securities, property company, achieved continuing growth in the year to September 30 1985...

comment The nature of the MV Hallam deal was disclosed for the first time last month in documents supporting a financial rescue package for Burnett...

Bett Brothers profits decline to £824,000 Bett Brothers, the Scottish housebuilding and property concern, suffered a 37 per cent fall in pre-tax profits from £1.32m to £824,000 for the year ended August 31 1985.

Lonrho Finance Public Limited Company LONRHO Facilities arranged by Lloyds Merchant Bank Limited GBP 50,000,000 Revolving Credit Facility

National & Provincial Building Society £90,000,000 Transferable Debt Placement Facility Arranged by Lloyds Merchant Bank Limited

TECHNOLOGY

Vaccine raises hopes for fight against hepatitis B

TWO US pharmaceutical companies are racing to market a vaccine crucial to millions of newborn children. The first, Merck Sharp and Dohme, is in the final stages of clinically testing a genetically engineered vaccine against hepatitis B, which could prevent liver cancer in children carrying the hepatitis virus.

Stephanie Yanchinski, in Singapore, on the race to market a genetically engineered vaccine

pared from the infected blood of US donors. It met limited success. Dr Stephen Hadler of the American Centre for Disease Control in Atlanta, Georgia, claims there has been no significant decrease in the incidence of acute hepatitis B, although more than 1m people have been vaccinated.

Not enough of those at risk have taken the vaccine. Dr Hadler said one of the main reasons was the cost—about \$100 (\$89) for three doses. In addition, some doctors still doubt the vaccine's safety because it is derived from infected human blood. However, the vaccine has been approved by the WHO.

Licence granted in Basle

CIBA-GEIGY of Basle, Switzerland, yesterday announced that it had granted the Swiss-American genetic engineering company, Biogen, a licence for a yeast-promoter system for use in the production of hepatitis B vaccine.



Professor Arie Zuckerman, of the London School of Hygiene and Tropical Medicine.

ceived at least one dose of the vaccine. Results show it to be safe and at least as effective as the plasma vaccine at raising antibody defences against infection.

hand, Merck expects the American Food and Drug Administration to approve its vaccine in June, while Smith Kline-RIT is counting on a European product registration in September.

THE University Grants Committee, responsible for dividing up Government finance to UK universities, has broken with tradition by buying software licences from commercial computer-aided design system suppliers for distribution to universities.

University grants body buys software licences

arguing that nonfraternal letters still had to be sent. However, the number of licences to include Rascal, Silva-Lisco, Genrad and Silicon Microsystems.

an in-house Cad system devised by the UK semiconductor company, Intamac, for cracking the high level of complexity required by its Transputer microprocessor.

knowledge of silicon devices physics. The Silva-Lisco product allows for the automatic placement of components on the chip surface. Genrad supplies a logic simulator with links to test pattern generation.

to get more people in integrated circuit design out into the field. A major limitation, as far as microelectronics education is concerned, is the total inadequacy of computing facilities and software available in universities.

Telephone message that failed to get across to the UK

VOICE MESSAGING is rare in the UK in spite of its attractions, with under 20 systems installed, according to a report from Eosys, technology consultants.

In 1979, for example, International Resource Development, a market research company, expected the market to reach \$180m in 1982. The actual figure was \$6m.

But the 1983 and 1984 figures were \$40m and \$100m respectively, with Rolm and VMX Inc each taking about 25 per cent in 1984. More than \$200m may have been reached last year but some observers believe the market has peaked.

VOICE MESSAGING SYSTEMS (VMS) are computers with disk stores integrated with, or forming part of, a company's telephone exchange (PABX).

When a caller tries to ring an extension that is engaged or is not answered, he is connected to the VMS. He can then leave a message in the "voice mailbox" of the called party, who can, on his return, interrogate his box for messages.

Reach 4,000,000 people for only £4



Five-year deal on circuits

THE SEMICONDUCTOR subsidiaries of GEC in the UK and Thomson in France have agreed on a five-year cooperative programme aimed at making it quicker and easier for engineers to develop application-specific integrated circuits (ASICs).

The technology to be used is HCMOS (high-speed complementary metal oxide semiconductor) with 1.2 micron (millionths of a metre) spacings of the parts on the chips. Electron beam fabrication will be used.

After two years' work the companies expect to have developed complete design tools and prototyping facilities.

In the last year of the project the aim is to demonstrate that a fully tested prototype can be produced on one chip in less than a month.

Wire alarm device

ORGANISATIONS concerned about theft may be interested in the Electro Thread, lengths of wire, easily attached to small items, which trigger alarms when taken past electromagnetic sensors.

The wires, in 4 ins strands costing about 3p, are produced by Knogo, a US company with UK headquarters in Marlow, Buckinghamshire. They follow the same principles as electronic tag security systems, also sold by Knogo, which are used by retailers.

UK NEWS—POLITICS

Hugh Carnegie assesses the campaign in Crossmaglen Split among the nationalists threatens election chances

CROSSMAGLEN, near the border between South Armagh and the Irish Republic, is a distinctly uninviting scene for an election campaign on a cold January morning. Last Monday, the wind whipped rain across the market square, army helicopters clattered overhead and British soldiers on foot patrol swept through the town, battering on a few doors in search of IRA suspects.



Ulster goes to the polls

concession in Mr Mallon's campaign that he does not expect to steal too many votes from Sinn Fein. He is campaigning clearly on the message that he is the only candidate who can defeat Mr Nicholson.

Unlike Mr Nicholson, whose canvass is a brusque affair of shaking hands with the faithful Mr Mallon spends time with each voter. He puts his changes as fair. "The wind is not in our face, it's slightly on our back. That's the use of things we know," he says.

Anglo-Irish accord has had little impact in Republican areas

holding its 40 per cent share of the nationalist vote in the four seats it and the moderate Nationalist Party, the Social Democratic and Labour Party, are contesting. "Keep up the pressure on the Brits" was the slogan.

Enoch Powell is seen as one of the most vulnerable Unionists

off the challenge of Mr Owen Carron, the Sinn Fein former MP who has been allowed half to fight the election. He faces charges of possessing a rifle and ammunition.

Enoch Powell is seen as one of the most vulnerable Unionists

After Newry and Armagh, the most vulnerable Unionist would appear to be Mr Enoch Powell, whose majority of 549 in theory ought to increase because of the absence of a candidate from the Rev Ian Paisley's Democratic Unionist Party. However, the SDLP have some hope that some headline Unionist disaffection with Mr Powell combined with a fall in the Sinn Fein vote could let in Mr Eddie McGrady. In Mid-Ulster, the Rev William McCree of the DUP, in spite of having the smallest majority in the House of Commons, should with the help of more than 7,000 DUP votes hold off the challenge of Mr Danny Morrison of Sinn Fein.

Company Notices

Table with columns for company names and financial data. Includes ROWNTREE MACKINTOSH INTERNATIONAL FINANCE B.V. and BANQUE INDOSUEZ.

Table with columns for conferences and clubs. Includes SINGAPORE FUTURES and EVE has unveiled the newest...

Whose Button Is Your Finger On? Business Telecom 86 The Telephone Systems Show. Includes a large question mark graphic and details about seminars and exhibitors.

FINANCIAL TIMES SURVEY SPAIN and the EEC. Includes details about the survey and contact information for Financial Times.

BUSINESS LAW

The written word may not be the last word

By A. H. HERMANN, Legal Correspondent

IN THE end, one discovers, English law rests on the same sound principles as the laws of other countries. Only it takes a long time to discover them because they are shrouded in mystery which English lawyers solve while imbibing at the Inns of Court dinners by which they qualify for advocacy.

One such mystery has been invoked now against the Roskill proposals for the abolition of the jury in complex fraud trials. "By whose standards will the honesty of the defendant's conduct be judged by such a tribunal?" asks the Law Society. According to the classic definition, cleared of all the unnecessary embellishments provided by clever defence lawyers, fraud consists of behaviour designed to lead others into error for the offender's own gain. Since behaviour does not need to be qualified as dishonest by a jury because it has already been declared dishonest and punishable by the law.

Though the question of fraud is highly topical in the City of London at present, it is not the most important legal concept obscured by historical bias and muddled thinking. It took the Law Commission, an august body of five top lawyers concerned with law reform, over 10 years to discover that the so-called Parol Evidence Rule, according to which (it was believed) written contracts cannot be varied, contradicted or subtracted from by means of oral evidence, is no rule of law at all. Not to speak of the usual linguistic muddle of using the term "parol" as equivalent to "oral."

In its report, published last week, the Law Commission apparently concludes that to try to remove such superstitions by legislation is like beating the air. "We hope," says the Commission, that this report will itself in some way towards clarifying the law and that a process of re-education, if necessary, is a more satisfactory means of achieving justice than any attempt to legislate."

Had the Law Commission concluded that legislation was necessary, nothing would have happened anyhow because Parliament's attention is more easily attracted by a clash of personalities than by such boring matters as the interpretation of contracts. We must

therefore be grateful that the Commission has finally discovered that it can achieve law reform without Parliament by a simple restatement of the law—a device well known to American lawyers and used by them with great effect.

In the absence of a codification of the law of contract, attempted but given up by the Law Commission, we must be grateful for such little blessings as the Commission provides and of which their latest report is one.

Ten years ago, when the Law Commission published its working paper number 70 on the Parol Evidence Rule, it still assumed that such a rule of law existed, though it suspected that the exceptions to it were numerous and so extensive that the rule itself had been largely destroyed by them. Since then, the composition of the Commission has changed and it has reached the conclusion that this so-called rule is no more than a circular statement to the effect that when parties to a contract record in writing all the express terms of their agreement, evidence contradicting or altering those express terms will be inadmissible because it is irrelevant.

If two parties agree that, in a year's time, one will build a three-bedroom house for the other, according to a specified design and record this agreement in writing, there is no point in considering evidence that they did not make such an agreement. However, such an agreement is far from complete and unequivocal. The parties could have orally agreed provisions about access to the house, its heating, the colour of its walls, the delay which the investor will allow if necessary, the terms of payment and many other matters, discussed before or after the written contract was made and not recorded. All such matters can, of course, be subject to oral evidence when it comes to a dispute between the parties.

The so-called Parol Evidence Rule could be applied only when there was a written contract—one which contains all the terms of the agreement. Evidence that something preceding or additional to the written document was also agreed immediately disqualifies the document—it is no longer a written contract but merely the written part of a contract. When

the parties enter into a contract that was made partly orally, partly in writing and partly by conduct, the court must look at all the evidence from start to finish to see what the bargain was that was struck between the parties, as Roskill LJ said in *Evans & Son (1976) 1 WLR 1078*.

A recent decision of the German Supreme Court (BGH I ZR 238/83) reveals an identical approach and confirms that treatment of documentary evidence is much the same in civil law systems.

Often one encounters the view that the discussions which lead to a contract should not be considered as an aid to its interpretation.

In the US this written contract must be presumed to be the complete record of the parties' agreement if it appears to be so on its face. Such a rule would be a theoretical possibility in the UK but, as the Law Commission states: "No English court so far as we are aware, has stated the rule and we are confident such proposition does not represent English law today."

On the contrary, Lord Russell, CJ, said that when parties arrive at a definite written contract that it is intended to contain all the terms of their bargain, but it is only a presumption, which can be disproved.

The presumption that a document which looks like a contract is to be considered as the whole contract is a fact and not of law and can be displaced by evidence. What the parties had in mind is not of decisive importance. The court will have regard to what was said or done as well as to the documents and whether a reasonable person would take the document as containing the whole of the agreement.

The Law Commission reached the opinion that a so-called "merger" or "integration" clause stating that nothing was agreed that is not contained in the document has no conclusive effect. Indeed, if the parties intended that an additional term should be recorded in the document, any of them could ask the court to rectify the document. If the parties intended to achieve something they did not include in the contract, the court might well

conclude that they made another collateral contract verbally and that this existed alongside the written contract. The integration clause would not prevent the court reaching such a conclusion.

There is a greater problem when orally agreed terms conflict with the written terms but even here the solution is no more difficult than when the oral is faced with a document which contains two terms inconsistent with each other. In either case, the court will have to decide which of the inconsistent terms more nearly represents the intentions of the parties.

The Law Commission points out that the magic attached to documentary evidence is rooted in the medieval system of classifying evidence into categories, some superior to others. But the overriding principle in force at present is that the facts are to be established by whatever evidence is most suitable.

The "written contract" itself may be an exchange of letters or a formal written contract embodying the provisional agreement reached earlier but not valid in itself, or a record of a previous oral agreement which was valid at the time when it was made but was superseded by the written document.

Written contracts of this sort represent the whole of the agreement between the parties or part of it, if they can run in parallel to another contract and have to be considered together with that parallel contract unless they are documents of title such as promissory notes, bills of exchange or bills of lading. Even in the case of such negotiable instruments the immediate parties may be bound by an oral collateral warranty while other holders of the instrument who acquired it by its negotiation are bound only by the contract contained in the written instrument.

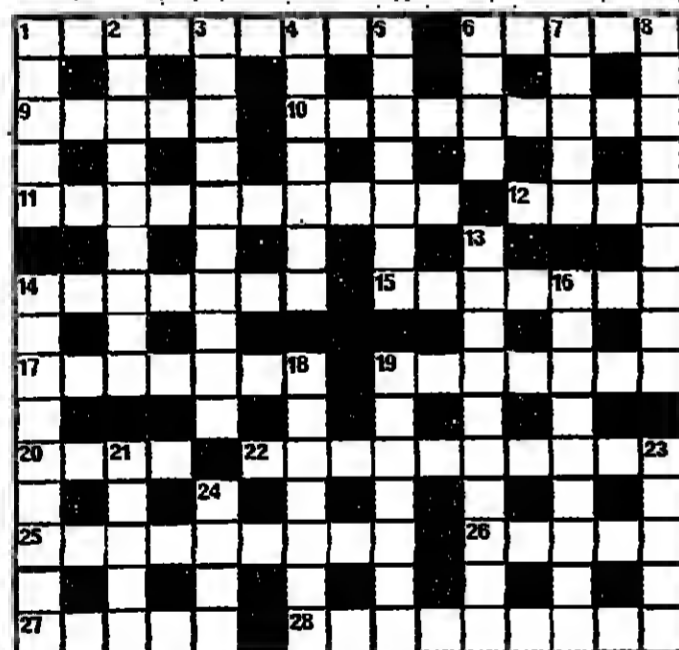
The Law Commission report will be found most useful by practitioners and businessmen. It shows that a written contract is not the end of the world but it also points out that the apparent completeness of a written contract has the practical effect of deterring unwarranted efforts to deny its terms.

The Parol Evidence Rule, Law Commission Report No. 159, published in Gilspey Bros & Co. (1986) 2 Q 89 at p.52.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts and their performance metrics, including columns for Name, Price, and other financial details.

F.T. CROSSWORD PUZZLE No. 5923



- ACROSS
1 Added 'Fog back with the chandelier' (9)
6 Likewise cover with solvent (5)
9 Put the party record in the front of the store (5)
10 The way I'm acting could be puzzling (9)
11 Cite, or put another way, 'there's something painful about punishment' (10)
12 Show in, except for the Egyptian leader (4)
14 The epi-sport, unusually jolly, is following 'The King and I' (7)
15 Coffee is often in assorted tins, a sort of brown colour (7)
17 Local oil apt to be distributed round about (7)
19 School type has broken arm after midnight drive (7)
20 Was informed 'there's no point being cruel' (10)
22 Reluctant to be ill (14)
25 Having little swellings, one adult confused the leading doctor (9)
26 Expel for writing about vice on the middle watch (5)
27 Where one sines, with the water I removed, to get the end taken off (5)
28 Softened in some way, there's very little need for cooking (9)
DOWN
1 For instance, detectives turning up with an echo sounder (5)
2 Stationery item from oddly-shaped parcel Philip is holding (5-4)

APPOINTMENTS

International division posts at NatWest

Mr Robin Fletcher has been appointed senior international executive, with NATIONAL WESTMINSTER BANK'S world corporate group, international banking division based in London, having previously been chief manager of the Bank's Hong Kong branch. Mr Roger Lacey moves from Singapore to Hong Kong and is succeeded in Singapore as chief manager by Mr Mike Bridger formerly manager of NatWest's marketing and coordination department, international banking division in London.
BRISTOL AND WEST BUILDING SOCIETY has made a series of management changes. Two new assistant general managers have been appointed. Mr John Barker, formerly agency manager, becomes assistant general manager operations and planning and Mr John Clarke, formerly London and south east regional manager becomes assistant general manager mortgage and related services. Two existing assistant managers, Mr John Warren and Mr Eric Dyer, assume new responsibilities. Mr Robert Ceverdale is appointed assistant general manager marketing and Mr John Elton becomes assistant general manager corporate information and analysis. In a new tier of management, Mr Michael Stobbe becomes branches and agencies manager, Mr Roy Hill becomes management services controller and Mr Geoffrey Thomas becomes property controller.
Dr Udo Ziegenhagen has been appointed head of the London representative office of BREMER LANDESBANK, succeeding Mr Sydney Hayward, senior representative.
FOLGATE INSURANCE CO, has appointed Mr Anthony Newell as general manager.
Alexander & Alexander has formed a new company, ALEXANDER STENHOUSE, to control the combined retail broking operations of Alexander & Alexander and Reed Stenhouse in the UK following the merger of the companies. Mr John B. Devine, who sits on the A & A Services board, has been chairman of Alexander Stenhouse, with Mr John D. London as deputy chairman and chief executive. The chief operating officers of the two main operating companies in the UK have also been appointed to the main executive board. They are Mr Ronald Forrest, of Alexander Stenhouse UK, general broking arm of the business, and Mr Allan Durward, of Alexander Stenhouse Financial Services employee benefit, life assurance and investment arm. In addition, Mr Ian Robert-

CONTINUED OVERLEAF

AUTHORISED UNIT TRUSTS & INSURANCES

Main table listing various unit trusts and insurance companies with columns for company name, address, and financial data.

INSURANCES section listing various insurance companies and their financial details.

INSURANCE, OVERSEAS & MONEY FUNDS

Table of financial data for various insurance and overseas funds, including Scottish Mutual Assurance Society, Sun Life of Canada, and others.

Main table of financial data for insurance, overseas, and money funds, listing various fund names, managers, and performance metrics.

Table of financial data for money market bank accounts, including various bank names and account types.

OPTIONS

3-month call rates

Table of 3-month call rates for various financial instruments, including interest rates and market indicators.

COMMODITIES AND AGRICULTURE

Court backs Tin Council immunity

By Stefan Wagstyl
THE INTERNATIONAL Tin Council, which is holding its latest round of emergency meetings on the tin crisis this week, won a claim to diplomatic immunity from legal action in court yesterday.

Arab Banking Corporation, one of the ITC's 16 banking creditors which is suing the council for £15m, failed in an attempt to win a court order stopping the council from selling assets.

Mr Justice Steyn, in a private hearing in chambers, ruled that the ITC was immune from enforcement orders of this kind. He rejected Arab Banking's argument that the ITC had waived its immunity by closing its accounts in the loan agreement with the bank which allowed for disputes to be submitted to a UK court. The judge ruled that this clause referred only to the court's role as an adjudicator and not as an enforcement agency.

It is understood that the judgment leaves open the question of whether the ITC can continue legal action to try to recover the loan money.

It is unclear to what extent the ruling establishes a general principle on the question of the ITC's immunity. Lawyers acting for the tin council and the creditors to whom it owes hundreds of millions of pounds will be closely studying the judgment, which Mr Justice Steyn made public.

Three London Metal Exchange brokers have started arbitration proceedings against the council under the rules of the LME. They believe that if they need to turn to the courts to enforce an arbitration ruling, they can because the headquarters agreement setting up the International Tin Council says that immunity is waived in the case of arbitration awards.

Meanwhile, attempts to secure a negotiated settlement of the crisis continued yesterday at the ITC, which adjourned its meeting until tomorrow. The council set up a small group to meet today with the authors of the latest rescue plan—Mr Peter Grabam, senior deputy chairman of Standard Chartered Bank and Mr Ralph Kesteven, joint managing director of broker Gerald Metals.

The group will discuss objections to the plan which calls for the creation of a company to take over the council's assets and liabilities. It would be funded with £200m of risk capital from member governments, £50m from brokers and £20m from banks.

EEC warned on surpluses

BY IVO DAWNAY IN BRUSSELS

RUNAWAY SURPLUSES and inadequate controls threaten to make many sectors of the EEC's Common Agricultural Policy (CAP) both unmanageable and unfinanceable, according to an unusually stark annual report published yesterday by the European Commission.

Moreover, the accession of Spain and Portugal to the Community will add to the strains on the CAP, the 440-page Agricultural Situation in the Community (1985) warns.

This deeply gloomy conclusion comes in stark contrast to the more upbeat analysis presented last month in the summary of a six-month-long debate between the Commission's agricultural managers and the farming industry on the future of the CAP.

Reviewing the state of the markets for farm produce, it states: "With so many Community markets saturated, and with poor prospects for increased solvent demand or reduced competing supply on world markets, it is clear that export enhancement measures are insufficient to bring about a healthier market balance or even prevent some surplus stocks becoming unmanageable and unfinanceable."

This applies even to sectors—such as dairy and wine—where wide-ranging reforms have been pushed through. Furthermore, new measures will exacerbate the problem of tackling over-supply while attempting to maintain the level of farm incomes, it says.

The survey opens with an account of the likely effects of enlargement of the Community on the CAP. This points out that EEC farming—already relatively inefficient compared with the Community's other economic activities—will become more so with the arrival of Spain and Portugal.

In the ten agriculture accounts for roughly 8 per cent of employment but contributes 4 per cent of national product. This 2 to 1 ratio, falls to 3 to 1 in Spain and 4 to 1 in Portugal.

Small inefficient farms—the root of the EEC's agricultural problems—abound in the Iberian peninsula. In Portugal, 87 per cent are holdings of less than 5 hectares, and 94 per cent less than 10 hectares; for Spain, the figures are 70 per cent and 80 per cent respectively.

In addition, the potential growth in output for Mediterranean produce, stimulated by higher EEC prices and grant aid, is likely to boost output of many products already in surplus.

The new member states will increase the number of holdings within the EEC from 6.6m to 9.8m while production will rise from a value of Ecu 150m yearly to Ecu 188m. However, the accession will also reduce the EEC's farm trade deficit from Ecu 23.6m to Ecu 16.6m.

Conversely, many claims, the report argues that farm incomes have risen marginally in real terms by an average of 0.3 per cent per annum. Between 1975 and 1984, the value of production rose by 2.3 per cent yearly. Poor harvests last year, hit earnings, however.

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	1980	1981	1982	1983	1984	1985
Milk	115	116	115	115	115	115
Beef and veal	105	104	102	106	115	117
Pigmeat	120	121	122	124	125	128
Cereals	134	130	144	132	141	151
Fruit and veg.	104	104	112	110	104	104
All products	113	112	119	118	121	119

Forecast: ↑ Provisional.

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LONDON MARKETS

COFFEE FUTURES

CONTAINED their recent wide fluctuations yesterday with values on the London market ending the day near the bottom of a \$200 trading range. The March position closed at \$2,525.50 a tonne, down \$35.50 on the day and nearly \$600 below the \$1-year peak reached early last week.

Dealers said nervous profit-taking wiped out early gains after the New York opened sharply below overnight levels. Though fundamentals remain strong, operators are opting for caution in view of the possibility of an early suspension of International Coffee Organisation export quotas—expected in any case by the middle of next month—and a downturn in coffee prices on Brazil's Sao Paulo exchange. Early losses on the cocoa futures market were partly recovered during the day but the May position ended at \$1,150 a tonne, on balance at \$1,713 a tonne.

Talk of Pakistan and Indian buying interest helped to lift sugar values a dollar or two following the recent decline. Coffee and short-cropping in good volume. The market appeared well supported despite continuing weakness in the physical market, reports Inter Capital/CCST.

MEAT

After a quiet morning, prices rose in the afternoon due to fresh trade in the market. The market appeared well supported despite continuing weakness in the physical market, reports Inter Capital/CCST.

COCAO

Futures opened marginally higher, as due, and remained in a narrow range until 11.30, when they rose to 22.25, reflecting under pressure from trading interest in light short-covering and a rise in the price of the day's lows. Some light second-hand market activity was noted in nearby futures, but no new profit-taking appeared, reports Gill and Outfit.

COFFEE

The market opened £128 higher against a steady New York close in the spot market but heavy trade and commission house selling gradually lowered the level for the rest of the day. Baristaes selling pushed levels 200 lower with a weaker New York close. The UK monetary policy, reports Oraxel/Sumner/Lambert.

COFFEE (Yesterday's + or - Business Done)

Contract	Close	+ or -	Business Done
Jan	2525.50	-35.50	57.8
Mar	2525.50	-35.50	57.8
May	2525.50	-35.50	57.8
Jul	2525.50	-35.50	57.8
Sep	2525.50	-35.50	57.8
Nov	2525.50	-35.50	57.8
Jan	2525.50	-35.50	57.8
Mar	2525.50	-35.50	57.8
May	2525.50	-35.50	57.8
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Nov	2525.50	-35.50	57.8
Jan	2525.50	-35.50	57.8
Mar	2525.50	-35.50	57.8
May	2525.50	-35.50	57.8
Jul	2525.50	-35.50	57.8
Sep	2525.50	-35.50	57.8
Nov	2525.50	-35.50	57.8

COFFEE (Yesterday's + or - Business Done)

Contract	Close	+ or -	Business Done
Jan	2525.50	-35.50	57.8
Mar	2525.50	-35.50	57.8
May	2525.50	-35.50	57.8
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Jan	2525.50	-35.50	57.8

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Talk of rate cuts hits dollar

Speculation about lower interest rates pushed the dollar down on the foreign exchanges yesterday. The US currency retreated from a peak of DM 2.4750 to close at DM 2.4625 in London...

£ IN NEW YORK

Jan. 15 Prev. Close
Spot \$1.4418-1.4428 1.4388-1.4377
1 month 0.850-0.850pm 0.850-0.850pm
3 months 1.55-1.55pm 1.55-1.55pm
6 months 2.50-2.50pm 2.50-2.50pm

FINANCIAL FUTURES

Late recovery

Prices recovered from the day's lows in the London International Financial Futures Exchange yesterday on suggestions that interest rates would fall. This followed comments made by Mr Martin Bangemann...

US TREASURY BONDS

Table with columns: Close, High, Low, Prev. Includes 20-year 13% notional gilt, 10% notional short gilt, and 3-month sterling.

CHICAGO

Table with columns: Close, High, Low, Prev. Includes US Treasury bonds (CBT) and US Treasury bills (TMM).

THREE-MONTH STERLING

Table with columns: Close, High, Low, Prev. Includes 3-month sterling and 3-month eurodollar.

THREE-MONTH EURODOLLAR

Table with columns: Close, High, Low, Prev. Includes 3-month eurodollar and 3-month sterling.

THREE-MONTH STERLING

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THREE-MONTH STERLING

Table with columns: Close, High, Low, Prev. Includes 3-month sterling and 3-month eurodollar.

THREE-MONTH EURODOLLAR

Table with columns: Close, High, Low, Prev. Includes 3-month eurodollar and 3-month sterling.

POUND SPOT - FORWARD AGAINST POUND

Table with columns: Day's spread, Close, One month, 3 months, 6 months, 12 months. Includes US, Canada, UK, etc.

DOLLAR SPOT - FORWARD AGAINST DOLLAR

Table with columns: Day's spread, Close, One month, 3 months, 6 months, 12 months. Includes UK, Ireland, Canada, etc.

EXCHANGE CROSS RATES

Table with columns: Jan 15, DM, Yen, Ffr, Sfr, Hfl, Lira, C\$, Bfr. Includes UK, DM, Yen, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: Jan. 14, Short term, 7 days notice, 1 month, 3 months, 6 months, One year. Includes Sterling, US Dollar, etc.

MONEY MARKETS

UK rates easier but still very nervous

Interest rates were a little easier yesterday but the market remained unconvinced of the authorities' ability to avert further upward pressure. Period rates were virtually flat...

NEW YORK RATES

Table with columns: Prime rate, Fed funds, Fed funds on intervention, Treasury bills & bonds, etc.

MONEY RATES

Table with columns: Jan. 13, One month, Two months, Three months, Six months, One year. Includes Frankfurt, Zurich, etc.

CURRENCY MOVEMENTS

Table with columns: Jan. 15, Bank of England, Morgan Guaranty, etc. Includes Sterling, US Dollar, etc.

CURRENCY RATES

Table with columns: Jan. 15, Bank rate, Special Drawing Rights, etc. Includes Sterling, US Dollar, etc.

CURRENCY FUTURES

Table with columns: Jan. 15, 1 month, 3 months, 6 months, 12 months. Includes Sterling, US Dollar, etc.

STERLING INDEX

Table with columns: Jan 14 Previous, 3.30 am, 7.15, 10.00, etc. Includes Sterling index values.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, % change, % change adjusted for divergence, Divergence limit %. Includes Belgian Franc, etc.

FT LONDON INTERBANK FIXING

Table with columns: (11.00 a.m. Jan. 15), Three months U.S. dollars, Six months U.S. dollars, etc.

LONDON MONEY RATES

Table with columns: Jan. 14, Over night, 7 days notice, 1 month, 3 months, 6 months, One year. Includes Sterling, etc.

TREASURY BILLS

Table with columns: Treasury bills (sell), one-month 12%, three-month 12%, etc.

Currency Swings: Cutting Your Risks. If you make payment in a currency other than your own, you face the potential risk in its cost between now and payment time...

Contracts and Tenders. GOVERNMENT OF INDIA AIR HEADQUARTERS, INDIAN AIR FORCE TENDER NOTICE. On behalf of the President of India, Director of Purchase, Air Headquarters, IAF invites sealed tenders...

Legal Notices. NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice, Chancery Division, in the Matter of Mercantile House Holdings and in the Matter of the Companies Act 1985...

DnC Den norske Creditbank PLC. With effect from 1st January 1986 Nordisk Bank PLC changed its name to Den norske Creditbank PLC. 20 St Dunstan's Hill, London EC3R 8HY. Telephone: 01-621 1111. Telex: 887654. Telefax: 01-626 7400 Gp3. Cables: Denfors London.

INDUSTRIALS - Continued

Table of industrial stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, price change, and volume.

LEISURE - Continued

Table of leisure stocks including companies like Leisure, Leisure, Leisure, etc. with columns for stock price, price change, and volume.

PROPERTY - Continued

Table of property stocks including companies like Property, Property, Property, etc. with columns for stock price, price change, and volume.

INVESTMENT TRUSTS - Cont.

Table of investment trusts including companies like Investment Trusts, Investment Trusts, Investment Trusts, etc. with columns for stock price, price change, and volume.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like Motors, Motors, Motors, etc. with columns for stock price, price change, and volume.

COMMERCIAL VEHICLES

Table of commercial vehicle stocks including companies like Commercial Vehicles, Commercial Vehicles, Commercial Vehicles, etc. with columns for stock price, price change, and volume.

SHIPPING

Table of shipping stocks including companies like Shipping, Shipping, Shipping, etc. with columns for stock price, price change, and volume.

FINANCE, LAND - Cont.

Table of finance and land stocks including companies like Finance, Finance, Finance, etc. with columns for stock price, price change, and volume.

INSURANCES

Table of insurance stocks including companies like Insurances, Insurances, Insurances, etc. with columns for stock price, price change, and volume.

PROPERTY

Table of property stocks including companies like Property, Property, Property, etc. with columns for stock price, price change, and volume.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including companies like Trusts, Finance, Land, etc. with columns for stock price, price change, and volume.

MINES - Continued

Table of mine stocks including companies like Mines, Mines, Mines, etc. with columns for stock price, price change, and volume.

LEISURE

Table of leisure stocks including companies like Leisure, Leisure, Leisure, etc. with columns for stock price, price change, and volume.

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Table of trusts, finance, and land stocks including companies like Trusts, Finance, Land, etc. with columns for stock price, price change, and volume.

MINES - Continued

Table of mine stocks including companies like Mines, Mines, Mines, etc. with columns for stock price, price change, and volume.

Notes and regional/irish stocks section at the bottom of the page.

LONDON STOCK EXCHANGE

MARKET REPORT

Account Dealing Dates

First Declared Last Account Dealing Date... Dec 22 Jan 8 Jan 19 Jan 29...

Burst of interest rate optimism brings strong close

A report that the German Economic Minister had said that the US Treasury Secretary wants to agree a co-ordinated interest rate cut...

Alliance jumped 28 points more to 4738, the shares have advanced from around the 4375 level already this year...

FINANCIAL TIMES STOCK INDICES

Table with columns for Jan 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, year ago. Rows include Government Secs, Fixed Interest, Ordinary, Gold Mines, etc.

HIGHS AND LOWS

Table with columns for 1985/86, High, Low, and SE ACTIVITY.

of a new initiative in the battle for the cross channel fixed link. Metal Box continued to attract buyers and put on 13 to 563p...

Good features emerged in the Leisure sector. Horizon rose 6 to 107p and International Leisure gained 6 at 105p...

Motorists again treaded better when Jaguar attracted revived support following the 1985 bonus bid...

Traded options Imperial Group featured proceeds in Traded Options, attracting 2,818 calls...

NEW HIGHS AND LOWS FOR 1985/86 NEW HIGHS: BAXNO (C) Banco De Bilbao, Alcan...

Trif. House revive Leading miscellaneous industrial recorded several noteworthy movements...

Oils move ahead A report that the UK and Saudi Arabia are to talk about oil prices brought a measure of stability...

RECENT ISSUES

EQUITIES

Table with columns for Issue Price, 1985/86 High/Low, Stock, Change, etc. Includes Abbott Seed, Ashby (Gaur), etc.

FIXED INTEREST STOCKS

Table with columns for Issue Price, 1985/86 High/Low, Stock, Change, etc. Includes Allied Nat. Prop., Brit. Assets, etc.

RIGHTS OFFERS

Table with columns for Issue Price, 1985/86 High/Low, Stock, Change, etc. Includes Barham Group, etc.

Announcement data usually last day for dealing time stamp duty. Figures based on prospectus available...

TRADITIONAL OPTIONS

Table with columns for Deal, Last, Declared, Settled, etc. Includes British Firms, Foreign Bonds, etc.

Government Secs 80.95 60.61 60.95 61.45 61.19 61.56 60.17

Fixed Interest 106.6 106.7 106.8 110.8 110.8 110.8 98.1 3

Ordinary 311.5 508.8 300.2 398.4 380.5 396.6 450.1

Gold Mines 4.6 4.5 4.4 4.4 4.4 4.4 4.1

Government Secs 127.4 75.03 127.4 46.18 46.18 46.18 151.5 159.6

Fixed Int. 114.9 0.11 114.9 4.4 4.4 4.4 146.4 141.3

Ordinary 114.9 0.11 114.9 4.4 4.4 4.4 146.4 141.3

Gold Mines 655.2 (19/10) 655.2 (19/10) 655.2 (19/10) 655.2 (19/10)

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FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns for EQUITY GROUPS & SUB-SECTIONS, Index No., Day's Change, etc. Includes CAPITAL GOODS, BUILDING, etc.

FIXED INTEREST

Table with columns for PRICE INDICES, Index No., Day's Change, etc. Includes British Government, 5 years, etc.

* FT-125 High and low, bid and offer, values and commission charges are published in Saturday Edition. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4A 3DF, price 15p, post 25p.

YESTERDAY'S ACTIVE STOCKS

Table with columns for Stock, Vol., Last, etc. Includes British Bank, etc.

TUESDAY'S ACTIVE STOCKS

Table with columns for Stock, Vol., Last, etc. Includes British Bank, etc.

EUROPEAN OPTIONS EXCHANGE

Table with columns for Series, Vol., Last, etc. Includes GOLD C, SILVER C, etc.

LONDON TRADED OPTIONS

Table with columns for Option, Jan, Apr, July, etc. Includes S.P. (605), etc.

January 15 Total contracts: 15,616 calls, 5,112 puts, 5,068 underlying securities prices

WORLD STOCK MARKETS

Table of world stock markets including Austria, Germany, Norway, Australia, Japan, Canada, and various indices. Columns include country, date, price, and change.

Table of Canadian stock markets including Toronto and Montreal. Columns include stock name, price, and change.

Table of various stock indices including New York Dow Jones, South Africa, and others. Columns include index name, date, and value.

OVER-THE-COUNTER

Table of over-the-counter market closing prices for various stocks. Columns include stock name, price, and change.

LONDON Chief price changes

Table of London chief price changes for various commodities and currencies. Columns include item name and price change.

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Advertisement for Financial Times, including contact information and a 'WALL ST' logo.

Advertisement for Antwerp/Brussels/Ghent/Kortrijk/Leuven/Luxembourg, including contact information for Philip de Norman.

NYSE COMPOSITE CLOSING PRICES

Table of NYSE Composite Closing Prices. Columns include 12 Month High, Low, Stock, Div. Yld., P/E, 52 Weeks High, Low, Close, and Change. Includes sub-section 'Continued from Page 38'.

AMEX COMPOSITE CLOSING PRICES

Table of AMEX Composite Closing Prices. Columns include Stock, Div. Yld., P/E, 52 Weeks High, Low, Close, and Change.

OVER-THE-COUNTER Nasdaq national market, closing prices

Table of Over-the-Counter (Nasdaq) Closing Prices. Columns include Stock, Sales, High, Low, Last, and Change. Includes sub-section 'Continued on Page 37'.

WORLD STOCK MARKET CHECK EVERY DAY IN THE FT

Continued on Page 37

FINANCIAL TIMES

WORLD STOCK MARKETS

WALL STREET

Confidence revives in lower rates

MR MARTIN BANGEMANN, the West German Economics Minister, yesterday revived Wall Street's confidence that US interest rates have further to fall, writes Terry Byland in New York.

His reported comments that the US will seek a co-ordinated interest rate reduction by the G5 countries at this week-end's meeting spurred a sharp rise in the bond prices, which soon overflowed into the stock market. The advance was only slightly restrained by the refusal by Mr James Baker, US Treasury Secretary, to comment.

Bond prices extended their gains as the Fed announced substantial repurchase arrangements to offset the adverse cash flows associated with the opening of the year. The board again pre-announced repurchases - this time for five and seven days. Longer-dated bonds showed gains of nearly 1 1/2 points, and short-term rates turned easier despite a sharp rise in federal funds.

A rise of 10 Dow points in the stock market was trimmed when General Electric, a constituent, fell \$1 to \$88 3/4 on its results. The Dow Jones industrial average ended a net 8.25 points higher at 1,577.29. Trading was heavy, with 122.5m

shares changing hands as interest spread from the blue chips to the broader range. Honeywell surged ahead on good results.

The renewed hopes of lower US rates countered the effects of the recent employment and retail sales statistics, which indicate a strengthening economy and thus lowered expectations that the Fed will influence rates downwards.

Although retail interest in bonds remained relatively restrained, there were signs of buying by institutions and especially Japanese investors.

Among interest-rate sensitive stocks, quick to respond to the reports from West Germany, the money centre banks were prominent, led by Chase Manhattan, \$2 1/2 up at \$78, and Citicorp, up \$1 1/4 at \$52 1/4. Federal National Mortgage (Fannie Mae), an immediate beneficiary from lower rates, gained \$1 1/4 to \$25 1/4.

With prospects for lower US rates and a lower dollar back on the horizon, there was a sharp jump in bullion prices which brought a technical rebound in the North American gold producer issues. Homestake Mining, the major US gold producer, gained \$7 1/2 to \$28 1/2.

Among the Canadians, Dome Mines added \$1 to \$11 1/4 and Echo Bay Mines \$2 to \$15 1/4. South African mining issues, traded on the over-the-counter markets, remained subdued, but there was a gain of \$1 1/4 to \$39 1/4 in ASA, the investment trust which is the main vehicle for US investors in these mines.

IBM, now on the verge of announcing results, gained \$3 1/4 to \$152 1/4 in brisk trade. Digital Equipment, second to IBM in data processing, bounced up \$4 1/2 to \$141 1/4. After increasing the dividend

payout on the back of the results announced this week, NCR jumped \$1 1/4 to \$41 1/4.

Airline stocks rebounded, led by the two major domestic carriers, United, up \$1 at \$48 1/4, and American, up \$2 at \$41 1/4. With the latest car industry sales figures down sharply, the Detroit motor stock looked mixed - General Motors \$7 1/4 easier at \$68 1/4 and Ford up \$7 1/4 to \$59 1/4.

The renewed bullishness revived several speculative market rumours. Honeywell gained \$2 1/4 to \$77 1/4 although the board denied suggestions of a leveraged buy-out. RCA was heavily traded but showed a gain of only \$7 1/4 to \$63 after an early gain was largely erased when United Technologies firmly rejected rumours of a bid plan.

Champion Spark Plug was also very active but off its top with a gain of \$1 1/4 to \$10 1/4 following a boardroom denial of any merger negotiations.

But more successful spots included Avondale Mills, up \$2 1/4 to \$23 on news of buy-out talks, and GAF, up \$1 1/4 at \$54 1/4 after a Paine Webber analyst told clients that the stock would benefit strongly from its Carbide stake.

In the over-the-counter market, stock in HBO, which installs hospital computer systems, fell \$2 1/4 to \$15 when Dean Witter Reynolds removed it from the firm's recommended list, and the company planned a statement on the profits outlook.

The credit markets brushed aside a jump in federal funds to 6 1/2 per cent, despite a further \$2bn in customer repurchases from the Fed when the rate touched 6 per cent. The board has generously provided reserves this week - including foreshadowing \$850m of 15-day customer repurchases due to be made yesterday - but the reserves are clearly intended to smooth traditional January cash flow distortions and not to represent any change in policy.

Treasury bill rates eased by 4 basis points. But bond prices showed renewed strength at mid-session, when early gains of more than a full point were restored.

EUROPE

Foreigners return with a vengeance

FOREIGNERS returned to Europe yesterday with a vengeance and swamped some bourses in a wave of bargain-hunting.

Frankfurt was first on their itinerary and the exchange was again forced to extend trading by 30 minutes to process the surge in turnover.

The Commerzbank index rose 55.7 to 2,181.8, its second consecutive record this week.

Brokers noted a lack of fresh factors stimulating the steady rise and some believed that the rally was self-perpetuating.

Centre stage was held by Siemens, which, after a buy recommendation from a local brokerage house, leapt 6.8 per cent to finish up DM 54 at DM 618. AEG dropped on news that the Cartel Office would later this month rule on Daimler's plans to take a majority stake in the group. The electrical group lost DM 4 to DM 308 as Daimler continued to deny that it planned to raise its offer for outstanding AEG shares.

Daimler, however, gained on the day, ending DM 60 up at DM 1,445, as it led the car sector higher.

In banks, Bayerische Hypotheken fell to profit-taking after recent strong gains on takeover speculation. It fell DM 27 to DM 627.

Insurer Allianz, which on Tuesday was at the other end of the Bayerische

Hypo takeover rumour, surged again, adding DM 65 to DM 2,865.

Retailers were also strong and engineering issues bullish.

Foreign and domestic investors took up fresh positions in the bond market and prices ended higher. Longs showed gains of about 35 basis points and shorts rose by as much as 10 basis points.

The Bundesbank continued its selling spree, divesting itself of DM 60.2m worth of paper.

Activity in West Germany fuelled sentiment in Amsterdam, which also reacted to increased optimism over the Dutch economy and the slightly firmer dollar.

Multinationals, which have recently been in the doldrums, continued their recovery, with Akzo FI 1.90 higher at 157.10 and Philips up FI 2.80 at FI 81.90.

Star performers were construction issues, which received a boost from national newspaper reports that the industry was poised for a recovery in 1988. HBG added FI 4.50 to FI 142 and Volker Stevin was up FI 2 at FI 37.20.

Zurich extended the rally begun late on Tuesday as gains in the recently somnolent banking sectors pulled other stocks higher. Credit Suisse gained SFr 60 to SFr 3,800 and Bank Leu added a sparkling SFr 175 to SFr 4,700.

The market was flooded with large buy orders from institutions for Nestlé, whose bearer share added SFr 105 to SFr 6,980.

Bargain-hunting pushed Paris higher in active trading. Investors were also cheered by a drop in the overnight call money rate.

Building issues stole the show ahead of next Monday's decision on the English canal fixed-link project. Auxiliaire d'Entreprises gained FF 65 to FF 1,495, while Bouygues, which faded in the previous session, climbed FF 39 higher to FF 1,000.



Despite buying interest in some sectors, Brussels continued to suffer from profit-taking and ended mixed.

Financials, non-ferrous metals, steels and oil issues put in a better performance, while banking stocks were weaker.

Milan was again higher ahead of today's end of the January trading account, but Stockholm finished down despite an attempted upturn during the morning. Banks took Madrid marginally ahead.

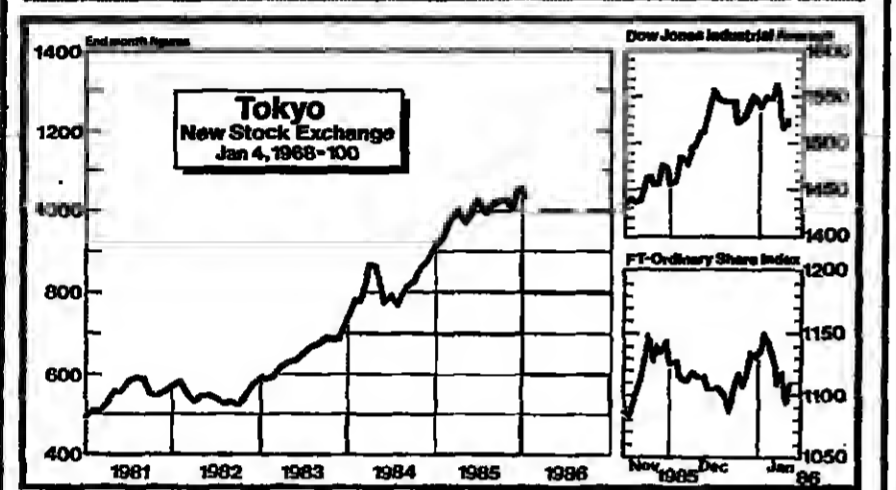
SOUTH AFRICA

THE STRONGER bull price took Johannesburg shares sharply higher. Among the leading issues Randfontein surged R14 to R287 while in firmer mining, financials its holding company 'Johnnies' rose R15 to R300 on quarterly results.

Impala Platinum gained more ground with another R1.15 rise to R28.50, and leading diamond share De Beers added R1.05 to R18.05.

Barlow Rand benefited from the stronger sentiment and advanced 35 cents to R15.

KEY MARKET MONITORS



STOCK MARKET INDICES			
	Jan 15	Previous	Year ago
NEW YORK			
DJ Industrials	1,577.29	1,519.04	1,230.79
DJ Transp'n	698.84	692.78	591.78
DJ Utilities	173.01	172.56	148.39
S&P Composite	208.26	206.64	170.81
LONDON			
FT 100	1,109.6	1,094.3	981.3
FT-SE 100	1,390.5	1,370.1	1,233.2
FT-AI All-share	672.02	664.42	604.53
FT-A 500	736.98	727.53	664.00
FT Gold mines	311.6	305.8	460.1
FT-A Long gilt	10.68	10.77	10.67
TOKYO			
Nikkei	closed 12,928.6	11,823.9	
Tokyo SE	closed 1,027.9	930.36	
AUSTRALIA			
All Ord.	1,050.5	1,048.9	734.8
Metals & Mins.	531.2	528.4	407.9
AUSTRIA			
Credit Aktien	126.82	125.74	58.52
BELGIUM			
Belgian SE	2,766.91	2,768.26	2,151.26
CANADA			
Toronto			
Metals & Mins	2,194.7	2,148.99	1,969.9
Composite	2,843.9	2,811.98	2,394.10
Montreal			
Portfolio	138.96	137.46	120.17
DENMARK			
SE	n/a	216.31	160.43
FRANCE			
CAC Gen	272.5	270.2	189.9
Ind. Tendence	104.0	103.1	103.9
WEST GERMANY			
FAZ-Aktien	716.76	707.2	391.33
Commerzbank	2,161.8	2,106.1	1,137.7
HONG KONG			
Hang Seng	1,783.66	1,782.23	1,391.00
ITALY			
Banca Com.	475.63	465.41	248.89
NETHERLANDS			
ANP-CBS Gen	261.8	258.1	190.3
ANP-CBS Ind	248.9	245.8	152.2
NORWAY			
Oslo SE	401.52	401.97	314.31
SINGAPORE			
Straits Times	629.15	634.00	770.18
SOUTH AFRICA			
JSE Golds	-	1,184.1	1,026.0
JSE Industrials	-	1,101.5	903.5
SPAIN			
Madrid SE	109.32	108.55	106.96
SWEDEN			
J & P	1,805.00	1,819.21	1,414.01
SWITZERLAND			
Swiss Bank Ind	605.2	596.1	403.4
WORLD			
Capital Int'l	Jan 14	Prev	Year ago
	252.7	252.7	189.3

CURRENCIES			
	Jan 15	Previous	Jan 15
US DOLLAR			
(London)			
\$	1.442	1.4405	
DM	2.4625	2.466	3.5526
Yen	202.35	202.6	291.75
FF	7.555	7.5675	10.895
SFR	2.082	2.089	3.025
Guilifer	2.771	2.777	3.995
Lira	1,876.5	1,881.5	2,417.5
BP	50.15	50.35	72.3
CS	1.405	1.40405	2.02535
STERLING			
Jan 15	Previous	Jan 15	Previous
DM	2.4625	2.466	3.5526
Yen	202.35	202.6	291.75
FF	7.555	7.5675	10.895
SFR	2.082	2.089	3.025
Guilifer	2.771	2.777	3.995
Lira	1,876.5	1,881.5	2,417.5
BP	50.15	50.35	72.3
CS	1.405	1.40405	2.02535

INTEREST RATES			
	Jan 15	Prev	
US BONDS			
Treasury	Jan 15	Prev	
7% 1987	99 1/2	8.794	99 1/2
8% 1983	96 1/2	9.06	97 1/2
9% 1985	101 1/2	8.289	100 1/2
9% 2015	104 1/2	8.45	103 1/2

FINANCIAL FUTURES			
	Latest	High	Low
CHICAGO			
US Treasury Bonds (CBT)			
8% 32nds of 100%	Mar	63-09	62-18
US Treasury Bills (TBM)			
\$1m points of 100%	Mar	n/a	n/a
Certificates of Deposit (NIM)			
\$1m points of 100%	Mar	92.26	92.39
LONDON			
Three-month Eurodollar	Mar	91.97	92.08
\$1m points of 100%	Mar	91.85	91.82
20-year National Gas	Mar	108-14	108-22
ES0,000 32nds of 100%	Mar	108-14	108-22

COMMODITIES			
	Jan 15	Prev	Year ago
(London)			
Silver (spot fixing)	424.05p	418.00p	
Copper (cash)	£97.50	£1,003.50	
Coffee (Jan)	£2,492.50	£2,550.00	
Oil (spot Arabian Light)	\$26.75	\$27.05	

GOLD (per ounce)			
	Jan 15	Prev	Year ago
(London)			
London	\$346.25	\$340.25	
Zurich	\$347.35	\$341.50	
Paris (fixing)	\$347.12	\$341.64	
Luxembourg	\$342.30	\$338.65	
New York (Feb)	\$350.70	\$341.00	

LONDON

A BURST of optimism shot through London yesterday as reports that the West German Economics Minister had embarked on a plan to co-ordinate an interest-rate cut.

Share and bond prices surged higher, and the FT Ordinary index briskly extended a near-close rise of only 6 points to finish 15.3 ahead at 1,109.6 while the FT-SE 100 index added 20.4 to 1,390.5.

Interest rates had earlier dictated the trend as domestic financial markets waited to see whether the Bank of England's bold initiative on Tuesday would be successful.

Gilts enjoyed considerable after-hour support, with longs gaining almost a full point, while shorts advanced 1/4 in places. Chief price changes, Page 37; Details, Pages 36; Share information service, Pages 34-35.

HONG KONG

A TIMELY dose of bargain-hunting injected some life into Hong Kong and buoyed the Hang Seng index 1.43 higher to 1,783.66.

Small investors and isolated overseas institutional support formed the basis of the buying that firmed China Light 30 cents to HK\$16.30 and Hongkong Telephone 10 cents to HK\$10.90. Hongkong Gas moved against the trend with a 20-cent fall to HK\$14.40.

Jardine Matheson picked up 10 cents to HK\$13.40 while Hongkong Land firmed 5 cents to HK\$6.70. Cheung Kong failed to recoup the losses of the previous session and closed steady at HK\$21.10.

Some stability returned to the banking sector.

AUSTRALIA

A MORE BULLISH tone was evident in Sydney as the All Ordinaries added 1.7 to 1,050.5, just below its record high, and the All Industrials index firmed 2.4 to a peak of 1,549.1.

Pioneer Concrete was actively traded with about 3.3m shares crossed in Melbourne, although the price held steady at AS2.70.

BHP traded in a 3-cent range before closing unchanged at AS8.04 while CSB picked up 2 cents to AS3.72 and Bell Resources was steady at AS5.80.

Mines eased although some leading issues recovered some from the day's low.

SINGAPORE

FURTHER GROUND was surrendered in a listless Singapore as investors trimmed 4.85 off the Straits Times industrial index at 629.15.

Singapore Airlines was the most active, after a busy session on Tuesday, and finished steady at S\$4.92 on turnover of 882,000 from a total volume of 8.2m.

Sime Darby was also active with a 1-cent fall to S\$1.46, and Singapore Land, most active in the previous session, was busy with a 1-cent fall to S\$1.99.

CANADA

SURGING gold shares triggered a broad advance in Toronto, and further encouragement was found in the stronger performance on Wall Street.

Gold stocks, buoyed by the highest bullion price for 10 months, jumped with early gains of C\$1 apiece for Dome Mines at C\$15 1/4 and Lac Minerals at C\$38 1/4. Echo Bay traded C\$4 higher to C\$21 1/4.

Banks and mines were the strongest feature of a higher Montreal.

TOKYO

Establishing a toehold for the future

MORE FOREIGN banks and securities houses are opening representative offices in Tokyo as a toehold for future securities business in Japan, writes Shigeo Nishitani of Jiji Press.

Such representative offices, licensed on registration with the Ministry of Finance, increased by 22 last year to 112, reflecting growing foreign interest in Tokyo as an international financial centre rivaling New York and London.

In addition, according to one foreign securities house, many other foreign concerns not registered with the Finance Ministry have representatives working out of rooms in hotels or condominiums.

The activities of representative offices of foreign financial institutions are limited to market research, and analysis and corporate research work. But their general aim is to win the ministry's approval to open branch offices qualified to deal in securities.

Ten representative offices were upgraded to branch offices last year. Six of them, including Schröders, a British merchant bank subsidiary, and Deutsche Bank, subsidiary of the leading West German bank, gained the status on December 20.

The simultaneous approval of so many was seen by some observers as the ministry's response to criticisms by the US, Britain and West Germany over foreign access to Japanese financial markets. But the ministry denied that it yielded to foreign pressure.

A ministry official estimates that the number of foreign offices doing securities business in Tokyo will increase to around 40 this year from the present 20.

The rush into Tokyo has caused an acute shortage of office space, around Marunouchi, the central financial district. A room for rent, if any, will cost ¥12,000 (\$99) a square metre a month, plus ¥1,000 to ¥2,000 in guarantee money. Space may be even costlier than in New York and London, says a leading property group.

These foreign institutions are also looking for Japanese who are well experienced in international securities business, proficient in English and competent in negotiations with the authorities.

Most are trying to recruit through the head-hunting agencies which have recently proliferated. Salary offers range from \$200,000 to \$400,000 a year, several times higher than those paid by Japanese securities firms.